

EUROPEAN NEWS

Unemployment leaps to 1.7m in West Germany

BY KEVIN DONE IN FRANKFURT

THE NUMBER of people unemployed in West Germany jumped to 1.7m in December, the highest level since 1953. Some 7.3 per cent of the workforce was without work last month, compared with 6.4 per cent in November. The average level of unemployment to 1981 was 1.27m. The Federal Labour Office expects an average figure this year of at least 1.6m and believes unemployment could rise to as much as 2m during January and February.

France to step up research

BY TERRY DODSWORTH IN PARIS

THE FRENCH Cabinet has given the go-ahead to an ambitious expansion of the country's research effort with the aim of increasing total expenditure to 2.5 per cent of gross national product by 1985.

Netherlands to cut shipyard aid

By Charles Batchelor in Amsterdam

THE NETHERLANDS is to continue support for its shipbuilding industry, but aid will be reduced over the next four years. Demand for new ships should have picked up sufficiently by 1985 for Dutch yards to stand on their own feet.

EEC farm prices show largest rise since 1976

BY OUR BRUSSELS CORRESPONDENT

THE EEC's 9m farmers secured the largest increases in product prices since 1976, last year, although in most member states the price rises did not match increased production costs.

Yugoslavia finds oilfield

BY ANTHONY ROBINSON

YUGOSLAVIA, whose dependence on Soviet oil and gas imports has been the basis of a large increase in Yugoslav-Soviet trade over the last two years, has announced a promising oil find off the Gulf of Kotar in the southern Adriatic.

Death call hoax, say Italy police

BY JAMES BUXTON IN ROME

ITALIAN POLICE yesterday quashed their search in the Abruzzi mountains for the body of the kidnapped U.S. General, James Le Dozier, convinced that the telephone call that prompted it was a hoax by the Red Brigades intended to divert them.



Sr Calvo Sotelo... talks with Mrs Thatcher

Hopes high for end to Gibraltar deadlock

By Robert Graham in Madrid

THE SPANISH Prime Minister, Sr Marcelino Oreja, issued a due to meet Mrs Margaret Thatcher, his British counterpart in London today in a new attempt to break the deadlock on Gibraltar.

ECONOMIC SANCTIONS AGAINST MOSCOW CONSIDERED

Japan moves to freeze Polish aid

BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

JAPAN YESTERDAY took steps to freeze future financial assistance to Poland, and said it was considering economic sanctions against the Soviet Union.

Solidarity leaders call for passive resistance

BY OUR FOREIGN STAFF

LEAFLETS SIGNED by leading Solidarity trade unionists who have escaped arrest are beginning to appear in Warsaw and elsewhere in Poland, suggesting that the independent union movement is regrouping underground.

Zloty's unofficial value tumbles

BY LESLIE COLT IN BERLIN

THE POLISH zloty has fallen through the floor of the unofficial foreign exchange market in Western Europe which deals in non-convertible East European currencies.

French Left aims to heal split

PARIS—French Socialist and Communist leaders will meet today to discuss their opposing views on the events in Poland.

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Community urged to make stronger protest

BY JOHN WYLES IN BRUSSELS

EEC GOVERNMENTS are being urged by Belgium to protest to General Wojciech Jaruzelski, the Polish leader, about his speech to Community ambassadors in Warsaw on Monday.

plans to implement includes a 20,000 tons rice shipment promised before the introduction of martial law and the rescheduling of some ¥22bn (\$52m) worth of Japanese loans (agreed in July 1981).

Poland is due to make another

Poland is due to make another ¥20bn worth of repayments during 1982 of loans covered by its Japanese Government insurance fund.



Mr Bujak... call to avoid violence

E-German attack on Schmidt

By Our Berlin Correspondent

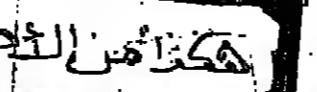
EAST GERMANY has attacked Chancellor Helmut Schmidt of West Germany over his latest reaction to the Polish military takeover.

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AMERICAN NEWS

Car workers expected to clear way for pay talks

BY PAUL BETTS IN NEW YORK

UNION representatives at General Motors and Ford are expected today to clear the way for preliminary discussions on a new three-year wage contract with the two companies. Some 500 Ford and GM delegates are expected to vote in favour of giving union negotiators the go-ahead to start talks on the new contract.

Although the three-year labour contract of the United Auto Workers Union at GM and Ford does not expire until September 14, the car union and the companies seem anxious to reach a settlement as soon as possible. The delegates vote appears a foregone conclusion, as pressure has been building up on the union to reach an equitable settlement as possible in the face of the continuing slump in the U.S. car industry and the threat of further extended layoffs.

For the car companies, 1981 was another disastrous year, with sales at rock-bottom levels. The car companies now hope 1982 will see a recovery in car sales. But this turnaround is not expected to occur in the next few months, in view of the country's continuing recession and the uncertain outlook on the interest rate front. The car-makers are asking the unions to agree to numerous concessions to hold down labour costs. Car workers at Ford and GM have so far said they were not ready to make concessions, but the fact they are ready to open negotiations so soon suggests they may well compromise.

Levesque's chief strategist resigns

By Robert Gibbons in Montreal

THE chief strategist of the Parti quebecois, Mr. Claude Morin, has resigned as Minister of Intergovernmental Affairs in Quebec. Mr. Morin had mapped out the party's step-by-step road towards sovereignty and, ultimately, independence, which was rejected by militants at a party conference in December. Mr. Morin's job will be taken over temporarily by Mr. Rene Levesque, Premier of the French-speaking province who is fighting to re-establish his authority in the party.

Baldrige blames management

BY DAVID LASCELLES IN NEW YORK

Mr. Malcolm Baldrige, the U.S. Commerce Secretary, yesterday put some of the blame for the declining productivity record of the U.S. on the poor management, although he said unrealistic wage settlements, particularly in the car industry, had also played a part.

Mr. Baldrige particularly singled out management's obsession with short-term targets, such as quarterly earnings gains, and said executives should start focusing on longer-term objectives.

that Government has also hampered productivity growth in certain businesses. In the auto industry, for example, U.S. energy policy of holding down gasoline prices had removed any incentive for Detroit to produce fuel-efficient cars, a falling for which it is now counting the cost.

Latest recession 'began in July'

BY OUR NEW YORK STAFF

THE LATEST U.S. recession started last July, according to the National Bureau of Economic Research, the private business analysis group officially charged by the U.S. Government with dating business cycles.

Most economists expect the economy to show signs of recovery this quarter or by mid-year at the latest. However, some have begun to hedge their forecasts in light of the recent rebound in U.S. interest rates.

to phase out gradually, said petroleum consumption will decline by 0.7 per cent this year, following a 4.3 per cent decline last year.

Oil imports, however, are expected to rise by 1.8 per cent next year after falling by as much as 10.7 per cent in 1981.

The department, which President Ronald Reagan wants

to phase out gradually, said petroleum consumption will decline by 0.7 per cent this year, following a 4.3 per cent decline last year.

CIA director back in spotlight

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

MR WILLIAM CASEY, President Ronald Reagan's controversial Director of the Central Intelligence Agency (CIA), was yesterday once again back in the spotlight of unwelcome Washington publicity. In a front-page story, the Washington Post said it had Government documents strongly suggesting that he should have registered as a foreign agent when representing the Indonesian Government as a private lawyer in 1976.

him to register as a foreign agent. The Post, however, maintains that documents show that Mr Casey actively lobbied top officials at the Treasury Department, including Mr William Simon, the then Treasury Secretary, for multi-million-dollar changes in U.S. tax law - an activity that would normally require him to register.

Mr Casey was "not unfit" to serve as CIA director, criticising him for "inattention to detail" in disclosing his past business dealings. The finding was accompanied by calls for his resignation similar to those that greeted last July's allegations about the business record of the man he had appointed to head undercover operations. Mr Max Hugel, Mr Hugel resigned, Mr Casey narrowly survived.

Mr Hugel maintained his innocence, but Mr Casey's critics, and there are many of them in Washington, argued that he had shown bad judgment in appointing Mr Hugel - particularly in his capacity as a former chairman of the Securities and Exchange Commission, the watchdog of Wall Street.

Manila concerned over drop in tourism

BY FRANK GRAY, RECENTLY IN MANILA

THE PHILIPPINES' reputation of having the largest English-speaking population in south-east Asia, including Australia, has spurred its drive to attract foreign tourists and to boost its international convention business.

The national tourist office in Manila says the country has enjoyed nearly three decades of tourism growth, particularly during the hotel building boom of the 1970s. This culminated in 1980 with a record 1.1m foreign tourists, the first time the Philippines had topped 1m.

seen as falling by about 5 per cent to about 165,000. But two other markets which have boomed in recent years, Australia and Hong Kong, also in decline. The Australian tourist count has fallen by 10 per cent to 65,000 and Hong Kong's by 5 per cent to about 95,000.

WORLD TRADE NEWS

Turkey optimistic on trade

THE TURKISH Government is forecasting a substantial increase in both exports and imports.

UK companies seek Philippines steel deal

BY EMILIA TAGAZA IN MANILA

The increases will continue to leave the visible trade balance in deficit, but the Government expects a strong performance in the invisible sector to meet the deficit, Mr Kemal Canturk, the Trade Minister, said yesterday.

DAVY McKEE and Direct deduction of the UK have joined forces in an attempt to win a turnkey contract to expand a steel complex in the Philippines worth up to \$800m (£421m).

The three units would integrate NSC's operations and aim to increase the company's maximum capacity to 1.5m tonnes of slabs. The integrated steel mill is one of the Philippine Government's 11 major industrial projects aimed at overhauling the country's industrial policy and shifting it away from import substitution to large-scale, export-oriented industries.

Jordanian contract for Wimpey

By Our World Trade Staff

GEORGE WIMPEY International, has won a £27m contract from the Ports Corporation of Jordan to build container and roll-on-roll-off berths at Aqaba. Work starts this month on the berths, which will be 350 metres long and be carried on tubular and sheet piles. Decking will be of pre-cast concrete construction. It is expected that work will be completed in June, 1984.

S. Africa to negotiate fresh trade agreement with Zimbabwe

BY BERNARD SIMON IN JOHANNESBURG



South Africa has agreed to negotiate a new trade agreement with Zimbabwe to replace the preferential arrangement which the Pretoria government said would be terminated in March, 1982.

British Shipbuilders wins £14m Hong Kong order

BY ANDREW FISHER, SHIPPING CORRESPONDENT

BRITISH SHIPBUILDERS has won an order to build a £14m bulk carrier for Takoo Navigation of Hong Kong, part of the Swire Group. This brings the corporation's total Hong Kong order book up to 15 ships worth £165m.

South Africa gave notice of its intention to terminate the agreement, signed in 1964, amid signs of a marked deterioration in political and economic relations between Pretoria and Salisbury.

The vessels for Takoo will be built by Sunderland Shipbuilders, who managing director, Mr Herbert Rice, said the subsidiary's forward workload was no better than it had been for some time.

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Prior's problem: setting a wise course while he is learning the ropes

DESPITE his relaxed manner, Mr James Prior, Secretary of State for Northern Ireland, is a man in a hurry.

Unlike most of his predecessors, he arrived midway through a Parliamentary term and, win or lose, it is unlikely he will be back in the province after the next election.

That gives him little time to make his mark. The battered province needs progress, both economic and political, and Mr Prior cannot afford to drop from sight for the next two years.

Such a time scale can be dangerously short in Ulster, where local politicians have learned to play very long indeed. Even those who are well disposed to a political initiative worry that talk of elections this spring or summer may be pushing things too fast.

At present it is merely talk. Mr Prior has committed himself to nothing. There is still time to pull back if the temperature does not feel right. It seems distinctly chilly at the moment.

Mr Prior inherited as difficult

Brendan Keenan on the problems facing a minister in a hurry

a situation as any Secretary of State. The hunger strikes possibly left behind more bitterness than at any time since the troubles started.

Politicians have grown so weary of the search for solutions that there is virtually an unspoken acceptance that doing nothing is as good a policy as any.

On the other hand, the Anglo-Irish dialogue, which has given Mr Prior problems with the

Unionists, means that Mr Prior enjoys a better working relationship in Dublin than most of his predecessors.

He arrived with one self-inflicted disadvantage — his widely publicised reluctance to go to Ulster in the first place.

This episode is still used against him, particularly by the Rev Ian Paisley and his supporters.

The positive side is that Mr Prior is the most senior Secre-

tary of State since M William Whitelaw. In addition, he probably has the best team of ministers to occupy Stormont Castle since the troubles began.

Ulster politicians refer to his obvious confidence and ability to absorb a brief or an argument, and they compare him favourably with some of his predecessors. But confidence can have its own drawbacks, especially when one is in a hurry.

Mr Prior made early blunders about the status of the B Specials and the report of the 1976 constitutional convention. In fairness, the hunger strikes and the deteriorating security situation which followed left little time for reading himself in before having to face angry deputations.

Even this week's news conference on his economic package, however, was not an unqualified success. Reporters felt

they needed more information and there were complaints that the figures were unclear.

It is a familiar enough situation for those who have observed the years of direct rule. It is difficult for British ministers — especially new ones — to appreciate the small scale of Ulster affairs and the detail with which everything is reported and analysed.

Mr Prior is trying to learn and make progress simultaneously. Officials have been impressed at the flow of ideas from his office.

No one now is looking for an

overall agreement between the warring parties. Instead, progress is to be made in stages and each stage should be able to stand on its own merits. That is one reason the economy seemed a good place to start.

Suspicious Ulster politicians will try to see where the stages are leading and try not to start the journey if they do not like the direction.

Mr Prior has already shown that he does not lack nerve, but has he enough time? For whether he succeeds or fails, James Prior will probably have only one chance.

Mergers encouraged in paint industry by recession

BY MAURICE SAMUELSON

THE paint industry, with sales of about £800m a year, is witnessing a growing number of mergers and attempted mergers as the recession sharpens competition for home and foreign markets.

The trend was highlighted by Tuesday's news that International Paint, the 88 per cent owned subsidiary of Courtaulds, has bought 12 per cent of the capital of A. Holden, the Birmingham-based manufacturer of surface coatings.

Holden, which attracted the interest of other companies in the past year, has not taken kindly to International Paint's hope that this might lead to an eventual merger and a full bid by IP appears out of the question.

Nevertheless, it is part of a well established trend. Last year saw the purchase by Silver Paint and Lacquer of the paint interests of the Bestobell engineering group, and the sale of TI's paint company, Drynamak, to the Donald Macpherson group, which made several other acquisitions.

Blendell-Perinogloze recently acquired Federation Paints, of Scotland.

The industry has two main areas: decorative paints for the building trade; and industrial paints — such as lacquers, coatings, varnishes, adhesives and powder coatings and anti-corrosives — in which A. Holden is a leading manufacturer.

The industry employs about

22,000 people. Although there has been some short-time working there have been no major closures.

In spite of the deceleration in building, demand for decorative paints has held up quite well while industrial coatings have gone down markedly.

Manufacturers of coatings are more heavily reliant on exports than the decorative paint producers who dominate their domestic market through well known brand names such as Crown, Dulux and Berger.

The packaging industry is the most important international market for the kinds of coatings produced by A. Holden. It is in this market that International Paint wishes to strengthen itself against major U.S. companies.

A. Holden traditionally has been linked with Metal Box, Britain's and Europe's biggest packaging company, which retains 9.3 per cent of A. Holden's shares although its holding was previously much larger.

International Paint has established itself as a world leader in the marine paint business and last year moved into a protective coatings deal in the U.S.

Mr Ronald Woodhouse, chairman of International Paint and a Courtaulds director, says he wants to see a strong European-owned company which could compete with the large U.S. coatings manufacturers which ride on the backs of the big U.S. car-makers.

Row likely over site for Heathrow terminal

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A ROW is likely as a result of efforts by British Airways to build a fifth passenger terminal at Heathrow.

The plan is to locate the terminal on the site of the existing sewage works at Perry Oaks at the western end of the airport, as an alternative to developing Stansted Airport, Essex.

Documents submitted by British Airways this week to the public inquiry into the development of Stansted identify two alternative locations for the Perry Oaks sewage works — one near Dorney and Eton Wick, close to Slough and the other at South Iwer, between Colbrook and the M-4 motorway.

Both sites are in the Green Belt, South Iwer being in the Colne Valley Regional Park. Both are close to existing housing developments and that at Dorney is near a proposed housing development at Clippenham. The cost of a new sludge works would be about £60m.

Sir Ronald Bell, Conservative MP for Beaconsfield, said yesterday both suggested sites would be unacceptable and he would resist their development as major sewage works. The Buckinghamshire County Council is strongly opposed to their development.

British Airways is pursuing its case for the development of

Terminal Five on the grounds that such a terminal, to handle up to 15m passengers a year, would be cheaper to develop than Stansted and would save British Airways up to £170m a year in operating costs.

The airline says Terminal Five could be in operation by about 1989-90, after the existing 264-acre Perry Oaks sludge works had been removed to another site.

The Thames Water Authority, which owns Perry Oaks, disagreed. In its submission to the Stansted inquiry it says it has no wish or intention to vacate the site at Perry Oaks.

"If required to do so by

governmental or other pressures, Thames Water would require an acceptable alternative site to be approved, fully financed, and phased at a time-scale acceptable to Thames Water's operational requirements."

Thames Water says it would not start to vacate even part of the Perry Oaks site until an alternative site had been settled, and it does not believe this could be done until 1986 — the date of what it calls the "decision to proceed."

Allowing one to three years to vacate even part of the Perry Oaks site, this means work on Terminal Five could not start

until some time in 1987-89, and it would not be operational until the early 1990s.

The British Airports Authority which is strongly opposed to Terminal Five but is vigorously campaigning in favour of Stansted — says it could have Stansted operational by 1988.

The arguments in favour of Terminal Five have yet to be discussed at the Stansted inquiry, but are expected to come up in the next few weeks.

There is certain to be a public outcry against any suggestion of moving the Perry Oaks sewage works to another site in West Middlesex or Bucks.

Instrument companies to make 660 redundant

By Jason Crisp

TWO COMPANIES making electro-mechanical instruments are making 660 people redundant because of weak demand in the home market and a move towards electronic equipment.

Brown Boveri Kent will make 300 redundant at two subsidiaries, Kent Process Control of Luton and Kent Industrial Measurements of St Neots. Mr John Nolley, chief executive of Brown Boveri Kent, blamed the recession in the petro-chemical industry and duplication of manufacturing capacity in Italy.

Kent Process said it would try to find the redundant workers other jobs within the organisation.

Production of electro-mechanical instruments will be concentrated in Italy, where about 50 of 500 staff have been made redundant in the last six months.

Brown Boveri Kent is a partially owned subsidiary of Brown Boveri of Switzerland.

Taylor Instruments, a subsidiary of Sytron, the U.S. health company, will make 360 of 800 employees redundant at Stevenage. Taylor blamed the changing nature of the instrument industry from electro-mechanical products to computer controlled systems. The company's products include temperature and flow controls.

Sytron will concentrate production of electro-mechanical instruments in Rochester, New York. The remaining employees in Stevenage will make the more advanced systems.

Defence Ministry puts tighter controls on torpedo deal

Bridget Bloom looks at Marconi's £500m contract

THE MINISTRY of Defence is placing renewed emphasis on negotiating fixed price — as distinct from cost-plus — contracts for equipment as part of its effort to control spending.

In December it signed its largest such deal, a £500m contract with the Marconi company. Officials hope it will result in production of two new British torpedoes, which will carry big export hopes.

Scepticism has surrounded the project from its beginning more than a decade ago. The main issue has been whether Britain should develop its own "thinking" underwater weapons ore buy American.

Some politicians and officials believe that the decision to develop British torpedoes proved too costly. Early development of the lightweight torpedo, now called Sting Ray, mounted

rapidly. By the time Marconi got its first management contract for the project in 1979, about £920m had then current prices had been spent.

The Ministry says early problems centred on 'poor management. Though Marconi was the prime contractor, the Ministry had overall responsibility. One official said the project "ambled along, its costs rising all the time." Originally it was financed entirely on a cost-plus basis, with the Ministry laying down specifications and meeting the bills as they came in.

Marconi's second main contract for Sting Ray, for £200m, signed in 1978, tied down the company and the Ministry more firmly. Marconi was made responsible for the

project, which was given a "target" cost, and it shared overruns (or underruns) with the Ministry.

Details have not been made public but the Ministry says the company has done "rather well," with targets proving reasonably accurate.

The Ministry has highlighted several key features in the £500m contract, which was announced to Parliament on December 17 and covers continued work on Sting Ray, and development and initial production of the heavyweight 7525 torpedo. No time limit is publicly specified but both torpedoes are expected to be in service by the late 1980s.

The features are:

- The contract is billed as

being for a fixed price, and specifies that the company must produce an initial 100 heavyweight and 250 Sting Ray torpedoes.

- The company has agreed to a target unit cost once full production starts. If the company fails to produce the torpedoes at or under target cost, financial penalties will apply.
- The contract provides incentives on time, reliability and serviceability. Bonuses will be paid in certain cases — for example, if Marconi manages to produce within cost a faster or quieter torpedo than the minimum agreed specifications.
- Marconi won the heavyweight torpedo deal against stiff competition from Gould of

the U.S. Political factors like the retention of jobs help to explain why the Cabinet decided last September to give the contract to the British company.

However, the ministry acknowledged that the tenders were not really comparable. The U.S. Navy's cost for Gould's MK 48, estimated at between £350m and £450m, was for full delivery of an already developed weapon, whereas the Marconi contract was for final engineering development and initial production only of the two torpedoes.

Sceptics have voiced suspicions of a contract which wraps up the two torpedoes in one deal. But the ministry says many of the facilities and much of the technology and management are shared between the two weapons.

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UK NEWS - LABOUR

Christian Tyler analyses the pit ballot dilemma

Miners face hard choice over strike

LESS THAN six weeks after giving the militant Mr Arthur Scargill one of the biggest victories in trade union electoral history, Britain's miners are deciding whether to sanction a national strike for higher wages.

looking for a convincing demonstration of support—far more than the constitutional requirement for a national strike which is a 55 per cent majority. Their campaign (and for once most right wingers appear to be pitching in with the left) is based on the premise that the bigger the vote the more readily the National Coal Board—or its paymaster the Government—will be moved. For the moderate-

obstacles to securing the big vote the activists want. First, the campaign launched by the delegates conference before Christmas has been interrupted by the holidays: most miners returned to the pits only this week.

the miners' loyalty, the self-confidence born of a partial victory over pit closures last February, and—so it is said—a deepening hatred for Mrs Thatcher and her policies.

EZRA MAKES APPEAL

A PERSONAL appeal from Sir Derek Ezra, chairman of the National Coal Board, to the miners is being distributed in the coalfields today ahead of their national pay ballot next week.

Derek—who retires this summer—says he has spent 35 years "fighting for coal." He says the wages offer is a fair one. "We have gone to the limit of what the industry can afford—and a bit beyond, banking on our ability to keep going ahead."

At a time when many workers are getting restive—on the railways, in steel, motor manufacturing and water supply—next week's vote will provide the Government with an important clue about the real depth of its unpopularity with industrial wage-earners.

Third, the Coal Board's offer—although falling far short of the annual rise in prices—is among the highest from any employer in this pay round. In addition, as the Board is quick to point out, acceptance will mean considerable lump sums in back pay next month—between £103 and £185.

Majority of Ford workers vote to accept 7.4% pay package

BY IVO DAWNAY, LABOUR STAFF

FORD UNION leaders yesterday won a clear majority in favour of their recommendation to agree to the company's 7.4 per cent pay and conditions package following acceptance votes by night shifts at the Dagenham body and engine shops and at the Langley truck plant.

failed to produce a clear result, while the 5,500-strong body shop came out against the offer. The final tally indicates that 16 plants, accounting for a total of 29,100 employees, have accepted the offer with seven plants, representing 20,710, opposing it.

Halewood assembly and body plants and 1,660 men at the Swansea transmission plant continued with unofficial strikes. Shop stewards said that the Halewood strike, which has so far caused the loss of 27,000 vehicles worth more than £12m, would continue until Sunday.

Two largest water unions split on 9% offer

By Philip Bassett, Labour Staff

WATER AND sewage workers in the industry's two largest unions were divided yesterday over the water authority employers' pay offer of 9.1 per cent. Inter-union discussions, however, are expected to lead to an overall acceptance of the package eventually.

Regional lorry drivers back 7%

BY BRIAN GROOM, LABOUR STAFF

LORRY DRIVERS in the East Midlands have accepted a 7 per cent pay offer from local members of the Road Haulage Association (RHA)—the first settlement for drivers in the private hire-and-reward sector.

low. And South Wales may well be the first," said Mr Geoff Jacobs, local official of the Transport and General Workers Union.

attitude as "irresponsible." The East Midlands deal increases the rate for the highest class of drivers by £5.60 a week to £85.60 for 40 hours, and raises the subsistence allowance by 75p to £10 a night.

Talks to be re-opened by shipyard unions

SHIPBUILDING UNIONS are to resume national-level negotiations with British Shipbuilders and will draft a pay claim for 70,000 shipyard workers this month.

Sealink ferries hit

BY IVO DAWNAY, LABOUR STAFF

STRIKE ACTION by Sealink UK's 1,200 officers went ahead yesterday halting all sailings by the British Rail subsidiary on continental and North Sea routes as well as most services to Ireland.

ant at Newhaven and Harwich under a new rationalisation programme. Officers and ratings occupying the 5,500-ton Sealink at Newhaven said that they intended to continue their sit-in indefinitely yesterday following Sealink's failure to withdraw redundancy notices.

Aslef leader denies BR rostering claim

By Our Labour Staff

LEADERS of the train drivers' union Aslef yesterday sharply criticised British Rail's suggestion that flexible rostering, the main issue of the pay and productivity dispute, would lead to fewer social hours and more rest days for drivers.

Hospitals threat

SERVICES TO patients would almost certainly be cut if Health Service pay rises exceeded 4 per cent, Mr Bill Darling, National Association of Health Authorities Chairman, said yesterday.

Bank staff table 15% claim

BY OUR LABOUR STAFF

CLAIMS FOR 15 per cent pay increases for 180,000 staff in clerical grades one to four of the English clearing banks were submitted separately yesterday by the Clearing Bank Union and the rival Banking, Insurance and Finance Union.

Officials protest

EMPLOYMENT DEPARTMENT officials in 12 central and north-west London offices, Civil and Public Services Association members, are threatening a two-hour walk-out on Monday.

FT COMMERCIAL LAW REPORTS

Extent of export restriction on Gafta goods

PANCOMMERCE SA v VEECHEEMA BV

Queen's Bench Division (Commercial Court): Mr Justice Bingham; December 14 1981

WHERE A seller possesses sufficient goods to perform his contract with a buyer, and has a government licence in export the agreed quantity, he cannot assert that the Government's refusal to issue more licences restricts him from exporting those goods, when the reason for failure to deliver is that he has allocated part of the quantity to a person to whom he is under an contractual obligation.

became worried that its domestic market might run short. So, shortly after the sellers had contracted with Veecheema, it decided, without warning, to take the unprecedented step of refusing all applications for foodstuff export licences submitted after July 1. The sellers were informed that there was no prospect of a licence being granted after that date.

moreover, plainly an "act done by or on behalf of the country of origin... where the ports of shipment... are situated." Mr Merriman's submission that the clause was wholly inapplicable must therefore be rejected.

tract, therefore, did not fall within the extent of the restriction resulting from the executive act.

Clause 22 of Gafta form 100 provides: "... in case of prohibition of export... or in case of any other act done by or on behalf of the Government of this country of origin... where the ports of shipment... are situated, restricting export, whether partially or otherwise, any such restriction shall be deemed by both parties to apply to this contract and to the extent of such total or partial restriction... this contract or any unfulfilled portion thereof shall be cancelled."

On June 28, seven days after the contract had been entered into, the sellers entered into a written contract with Veecheema for the sale of 1,500 in 2,000 metric tons of pellets. The contract incorporated the terms and conditions of Gafta form 100.

At the date of the Spanish Government's executive act, the sellers had a contract with Lucerna to ship 1,500 metric tons of pellets, and a contract with Veecheema to ship 1,500 in 2,000 metric tons. Although obtained with an eye to the "first refusal" arrangement with Lucerna, the licence was available to cover the minimum quantity of 1,500 tons required by Veecheema, as well as the contractual 1,500 tons required by Lucerna. Both the orders could lawfully be met. The con-

HIS LORDSHIP said that the sellers sold 1,500 metric tons of Spanish sugar beet pellets to a Dutch company called Lucerna BV, to be shipped in June or early July 1976. When making the contract, they informed Lucerna that if they obtained more pellets later in the year, Lucerna could have "first refusal" up to 1,500 tons.

Mr Merriman, for Veecheema, said that if the Spanish action fell within clause 22 at all, it was deemed to apply only "to the extent of such total or partial restriction," and since the extent of the partial restriction could be identified in the present case, the clause was inoperable.

MICK O'TOOLE, arguably Ireland's most astute handler when it comes to preparing a jumper for a selected major handicap, will be bitterly disappointed if neither Passing Parade nor Bold Agent make the frame in tomorrow's Irish Sweeps Hurdle.

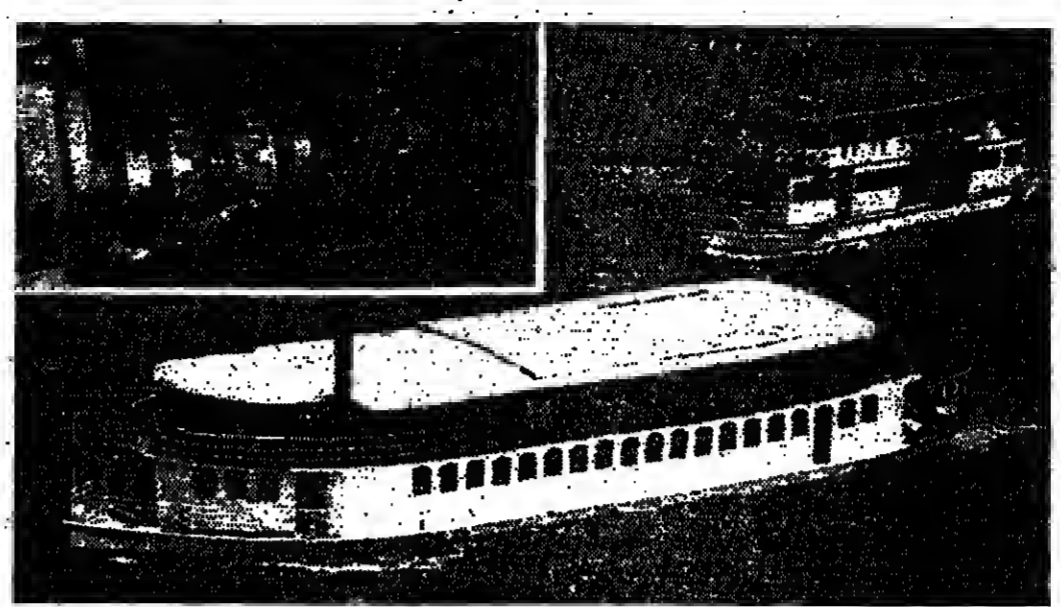
names, following a minor injury. Bold Agent's claims are hard to ignore. A fast improving six-year-old who has won his last two races, Tommy Carmody's mount was probably the easiest winner seen at Fairyhouse last month.



TECHNOLOGY

How the Mini principle smooths the waves

As the International Boat Show opens in London ALAN CANE looks at how the constant velocity joint of the revered Mini now plays a part, in giant versions, in reducing shipboard vibration.



SILENT engines on the Charing Cross Mississippi prototype

Finding the right angle to beat the sailors' vibration headaches

THE SECRET of front-wheel drive in the Mini has now been put to novel use... to smooth the life of marine engines. Mr James Grazebrook, a director of Halyard Marine, puts it: "The extent of the vibration this causes is demonstrated by the way the cutlery rattles in the restaurant of a cross-Channel ferry."



The Fiat 8061 SRM marine diesel engine

COINCIDING with the Boat Show, AIFO SpA of Milan, a wholly owned subsidiary of Fiat has launched in London its new Fiat 8061 SRM marine diesel engine. The 8061 SRM is directly derived from the 8061 SM, a design concept which was further developed in the production of the engine designed to break the diesel powered world water speed record achieved in 1979.

Low cost shipborne satellite terminal

A NEW design of low cost shipborne satellite terminal aimed mainly at the smaller vessel is under development at the Home Office, in conjunction with UK industry. At the moment some 800 ships are believed to be using the "Standard A" terminal which employs a 1.5 metres diameter relatively high gain, narrow beamwidth dish aerial with elaborate tracking system.

Operational

The new system on the other hand, intended mainly for use with the new series of six satellites to be put up by Inmarsat, the International Maritime Satellite Organisation, is likely to have an installed cost between £5,000 and £10,000. When all six of the geostationary craft are up and operational probably by 1989, any ship on any ocean will have virtually instantaneous contact with any land-based telephone.

Converter

Main part of the shipborne electronic hardware is being supplied by Microwave Associates of Dunstable. It consists of an up converter (transmitter) and down converter (receiver) sharing a common local oscillator which takes the form of a crystal controlled frequency synthesiser with a turntable selection of 341 channels. The transmitter tunes over the range 1636.5 to 1645.0 MHz and can deliver up to 25 watts to the dish. The receiver works over a range about 100 MHz lower and can deal with input signals down to -100 dB.

One unit mobile grit and water blaster

A MACHINE combining water and grit blasting in one transportable unit is now available from Miner Industrial of St Helens, Merseyside. Developed by Seagrove Fabrications, the blast stream can be adjusted for wet or dry blasting to achieve the required finish or profile when cleaning stone, concrete or plastic materials.

Capacity

Pressure at the nozzle is variable from 30 to 125 psi. Compressed air requirement is 250 to 350 cfm depending on nozzle size while the unit has a capacity of 450 lbs of expendable abrasive. The unit is eight feet long, four feet wide, and five feet high. Miner Industrial is at Moorfoot Industrial Estate, Parr, St Helens, Merseyside (0744 89595) and Seagrove Fabrications at Unit 6, Garston Industrial Estate (Liverpool 4940388).

Range of steel tanks

A RANGE of tanks erected from modular steel components and with flexible membrane liners is being offered by MacLeod and Miller (Engineers) of Glasgow. The company says that components can be hand carried through doorways for erection, using ordinary hand tools, where space is restricted. Originally developed by ModuTank in New York, the Scottish company is manufacturing three sizes—ModuStor of 30m³ capacity, the Maxi-Pak (3m³/70m³) and the Mini-Pak (1m³/5.5m³). MacLeod and Miller is at Whitelurey Road, Blantyre, Glasgow (0698 822231).

A FINANCIAL TIMES SURVEY

Manufacturing Automation

The Financial Times proposes to publish a survey on Manufacturing Automation. The provisional editorial synopsis and date are set out below.

TUESDAY 3rd MARCH 1982 Advertisement copy date 17th February

- INTRODUCTION Manufacturing industry is on the verge of a massive increase in productivity through a combination of computer based technologies and robotics. This article will review the origins of the automated factory and discuss the present state of the art. NC AND CNC MACHINERY The earliest, and still the most important form of computer based machining is numerically controlled systems. This article will discuss the major manufacturers and their plans for the future. COMPUTER AIDED DESIGN A review of the equipment available and the companies making use of it. COMPUTER AIDED MANUFACTURE A logical step from computer aided design is to use the information stored in the system to control the manufacturing process. Examples of prototype systems will be given. FLEXIBLE MANUFACTURING SYSTEMS This is the chief aim of factory automation; to combine CAD, CAM and robotics in a single system able to manufacture any desired part by programming the controlling computer appropriately. How developments are proceeding in US, JAPAN and EUROPE.

- ROBOTICS Robots are advancing beyond mere pick and place devices. This article will examine the progress made by the principle robot manufacturers. CASE STUDIES IN AUTOMATED FACTORIES (i) Engineering (ii) Food Industry (iii) Automobile Industry For information on advertising within this survey please contact: Anthony Hayes, George House, George Road, Edgbaston, Birmingham Telephone: 021 454 0922.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

The size, contents and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

Censor causes a stir in the U.S.

BY LOUISE KEHOE

THE QUEST of the semiconductor industry to make ever smaller and more densely populated chips has a new ally in the form of a complex photo-lithographic system produced by Censor Products, a small Liechtenstein company. Censor, new to the semiconductor production equipment business, has caused a stir in the U.S. by introducing a "stepper" system that significantly reduces the size of the micro-miniature circuit patterns that can be optically produced on a silicon wafer.

Resolution The system—which was first announced early last year—has already been purchased for evaluation by some of the leaders in the semiconductor business—Intel, IBM, ITT, and Siemens. Five more systems are on order, each at a price of \$750,000, according to the company. Several other U.S. and Japanese companies make steppers—but none, Censor claims, can match its fine line resolution, including market leader GCA Corporation of Bedford, Massachusetts. Key to Censor's success are the sophisticated optics that give Censor's stepper the ability to produce features as small as 0.7 microns wide on a silicon chip. That is almost half the size of those made by competing stepper systems. By comparison the top selling stepper system from GCA has a resolution of 1.2 to 1.4 microns. The resolution of the Censor system also challenges that of far more expensive electron-beam systems that have been mooted for the next generation of semiconductor devices.

COMPANY NOTICES

ASAHI CHEMICAL INDUSTRY LTD. BEARER DEPOSITORY RECEIPTS Issued by Morgan Guaranty Trust Co. of New York. A distribution of \$0.272 per depositary share less any applicable taxes will be payable on December 28, 1981 on presentation of the coupon to the office in any of the following depositories: BANK OF AMERICA TRUST CO. OF NEW YORK, NEW YORK; BANK OF AMERICA TRUST CO. OF NEW YORK, BRANCO, BRANCO, BRANCO; BANK OF AMERICA TRUST CO. OF NEW YORK, FRANKFURT, FRANKFURT, FRANKFURT; BANK OF AMERICA TRUST CO. OF NEW YORK, LONDON, LONDON, LONDON; BANK OF AMERICA TRUST CO. OF NEW YORK, LUXEMBOURG, LUXEMBOURG, LUXEMBOURG; BANK OF AMERICA TRUST CO. OF NEW YORK, PARIS, PARIS, PARIS; BANK OF AMERICA TRUST CO. OF NEW YORK, ZURICH, ZURICH, ZURICH.

AUTOMOBILES PEUGEOT 10% 1976-1983 LOAN OF FF 125,000,000 We inform the bondholders that the redemption instalment of FF 27,500,000, nominal due February 15, 1982, has been satisfied by purchase of FF 25,460,000... amount outstanding after February 15, 1982: FF 85,540,000. SOCIETE GENERALE ALSAACIENNE DE BANQUE

JAMES BEATTIE LIMITED NOTICE IS HEREBY GIVEN that the £100,000 Floating Rate Transfer Bonds of the Company will be closed from 24th January 1982... 71-75 Victoria Street, Wolverhampton.

PROVINCE OF NEWFOUNDLAND 30,000,000 Canadian Dollars 10 1/2% 1975/1985 Pursuant to the terms and conditions of the loan, notice is hereby given to Bondholders that, during the twelve-month period from December 15, 1980 to December 14, 1981, Cdn\$ 1,200,000 of such Bonds were purchased in satisfaction of the Purchase Fund requirements. Amount outstanding: Cdn\$ 26,400,000. January 8, 1982. PROVINCE OF NEWFOUNDLAND

THEATRES SAVOY, CC 51-526 0986. For Credit... ST. MARTIN'S, CC 836 1443. Evrs 6.00... STRAND, CC 61-836 2890-4143. 8.56... VALLEYVIEW, CC 01-836 8998. Evrs 6.00... VICTORIA PALACE, CC 61-836 4725-5. Evrs 6.00... WAREHOUSE, Donmar Theatre, Southam... WESTMINSTER, CC 51-836 0223. GAVIN AND THE MONSTER. A Friday evening musical. For the Christmas season until Jan 23. Mon-Sat 2.45. Fri & Sat 8.00.

US\$30,000,000 Quebec Hydro-Electric 8 3/4% Debentures due 1.2.1974/89. Debentures covering US\$1,000,000 have been purchased on the market to satisfy the Purchase Fund due 1st February, 1982.

NACIONAL FINANCIERA S.A. U.S. DOLL. 100,000,000 FLOATING RATE NOTES 1976/1993 In accordance with the terms and conditions of the above mentioned Floating Rate Notes the interest rate payable for the period terminating January 7th 1982 and ending July 7th 1982 shall be 15 1/2 per cent per annum.

MITSUBISHI ELECTRIC CORPORATION SEARER DEPOSITORY RECEIPTS Issued by Morgan Guaranty Trust Co. of New York. A distribution of \$1.371 per depositary share less any applicable taxes will be payable on December 28, 1981 on presentation of the coupon to the office in any of the following depositories: BANK OF AMERICA TRUST CO. OF NEW YORK, NEW YORK; BANK OF AMERICA TRUST CO. OF NEW YORK, BRANCO, BRANCO, BRANCO; BANK OF AMERICA TRUST CO. OF NEW YORK, FRANKFURT, FRANKFURT, FRANKFURT; BANK OF AMERICA TRUST CO. OF NEW YORK, LONDON, LONDON, LONDON; BANK OF AMERICA TRUST CO. OF NEW YORK, LUXEMBOURG, LUXEMBOURG, LUXEMBOURG; BANK OF AMERICA TRUST CO. OF NEW YORK, PARIS, PARIS, PARIS; BANK OF AMERICA TRUST CO. OF NEW YORK, ZURICH, ZURICH, ZURICH.

PUBLIC NOTICES GLOUCESTER CITY. £250,000 Bill of Exchange 8.1.82. 7.4.82 at 14 1/2%. Appln. £250. Note outstanding. PRESTON BILLS. £5m Bills from 8.1.82 to 7.4.82 at 14 1/2%. Appln. £250. Note outstanding. SANDWELL BILLS. £2.5m Bills from 8.1.82 to 7.4.82 at 14 1/2%. Appln. £250. Note outstanding.

ANNOUNCEMENTS CEDAR HOLDINGS LIMITED Mr. W. J. Dwyer, 17th Floor, 100, Cannon Street, London EC4A 3DF. Managers of Cedar Holdings Limited.

HARROGATE CONFERENCE CENTRE

An international debut worth singing about

IN APRIL, the town of Harrogate in North Yorkshire will show a more intense interest than usual in the Eurovision Song Contest—an interest that will have little to do with the quality of the lyrics.

For the contest is being staged in the town's new £28.5m conference complex and the event is, in effect, the international debut of a centre designed to keep Harrogate in the first division of British conference venues and allow the town to compete for a larger slice of the lucrative international conference trade.

Not only will the event in Harrogate be seen by more than 400m people all over Europe, a five minute film on the town and the beauty of the surrounding area will be shown during the programme—invaluable publicity for Harrogate as a tourist centre.

The potential rewards for Harrogate are great, but the competition for the conference and exhibition trade is intensifying in the UK and abroad.

Around £550m a year is spent on conferences in the UK and British companies now spend 8 per cent of their marketing budgets on exhibitions. This is double the proportion of five years ago and totals £200m.

Internationally, the centre is probably being launched into a buyer's market for conference throwers in the mid-1980s as new centres come on to the market. In France, for instance, the relatively new convention facilities in Monte Carlo are about to be joined by an \$80m complex at Cannes and another giant project is planned for Nice.

For Councillor Ron Mather, chairman of the conference sub-committee of Harrogate Council, there was little choice. "We had to do it. It would have been fatal for the future of the district not to have built it—the town would have gone into decline."

For its money, Harrogate has got a splendid 2,000 seat auditorium, which can be curtailed off for 1,300 and 600 audiences, a new exhibition hall which doubles as a banquet hall for 1,000, a superstore with 40,000 sq ft of selling space, an office block, restaurant and small shops plus the foundations for a new hotel.

Conferences and exhibitions at present bring in an estimated £25m a year to the town and it is believed that the new centre will lift this by 25 per cent this year.

Next month, the international situation permitting, Mrs Thatcher will walk up the spiral approach to the auditorium to deliver the keynote speech to the Young Conservatives' Conference.

Harrogate is also negotiating with the Confederation of British Industry for its 1982 conference in November and the town hopes that the Liberal



Party and the Trades Union Congress will come next year. There has however been a row locally over the delays in the project and rapid rise in costs.

The original announcement that work was to begin on the centre said the completion date "is expected towards the end of 1978." It was expected to cost about £8m.

The path to its opening has not been smooth. Apart from the difficulties of inflation, the council had to take over the project after the original private developer was unable to proceed. Then in 1978 the decision was taken to upgrade the plans to meet growing competition. Finally in Christmas 1980 the council had to come to terms with the fact that the centre needed financing of £25m plus agreement on a further possible £4m.

Mr Mather told councillors last month: "We can see daylight now at the end of the tunnel. It has been a very long tunnel—one of the longest I have traversed." He also promised a council investigation into the rise in costs and the extent to which this could have been anticipated.

The centre will produce an overall loss of around £5m this year with an occupancy level which at the moment looks like being around 25 per cent. The

difficulty, now removed, was in trying to sell a centre that was not yet completed.

Under the 14-year loan agreement with merchant bankers Morgan Grenfell, the cost to the local ratepayers will reach a peak this year, be "minimal" in 1985 years and show a surplus after that.

The Harrogate Conference Centre has its origins in a report by PA consultants on the future of the town.

Its conclusion was: "We consider provision of a new conference hall essential if Harrogate is to maintain, or more importantly increase, its present position in the market. Despite the risks it is an investment decision which in our opinion the corporation must face up to as a matter of urgency."

The council, which is Conservative-controlled, did just that and, despite all the difficulties, believes it took the right decision, for the conference and exhibition trade in Harrogate has shown slow but steady growth over the past decade.

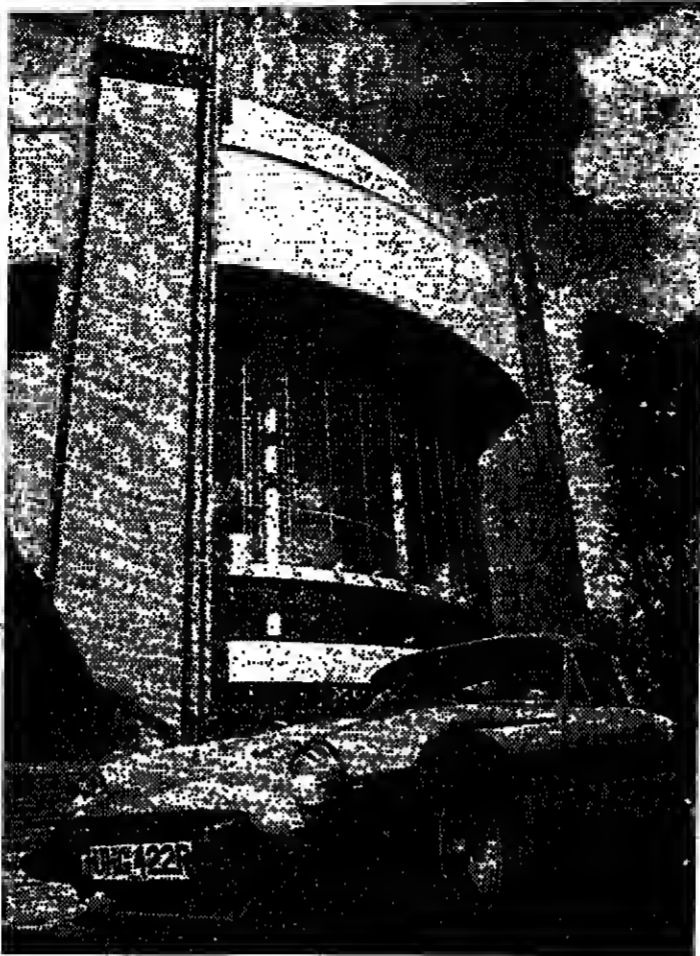
In 1971 there were 410 conferences attracting 37,488 delegates. In 1980 the number had grown to 559 conferences attracting 49,868, according to council surveys.

Conferences vary greatly, of course, anything from the 2,000 delegate Institute of Personnel Management conference and exhibition in October (Harrogate regulars) to a 20 delegate conference held by Shell UK in a local hotel.

Direct earnings from conferences and exhibitions can be substantial—Harrogate exhibition halls are hired out at £800 a day and the new conference centre will be hired out commercially at £1,000 a day, although conferences will pay only £1 a delegate. The greatest impact is the indirect boost given to the local economy.

Around 6,000 jobs are directly dependent on tourism in the Harrogate district and many other service jobs are tourism linked.

The vitality of the conference and exhibition trade has contributed to holding the unemployment level in the Harrogate travel-to-work area to 8.1 per cent, 4 per cent below the national average and lower than its surrounding area.



The striking exterior of Harrogate's new £28.5m conference complex

Design and Construction

Principal firms involved in the project were:
Architects: Morgan Bentley Ferguson Cale
Mechanical and Electrical Engineers: Ford, Higgins and Pole
Quantity Surveyors: Wilfred Sykes and Needham
Structural Engineers: Robert T. Horne Associates
General Contractors: John Laing Construction

Tourists and delegates: a search for the right mix

THE CONFERENCE and exhibition trade has perhaps come to overshadow "ordinary" tourism in the Harrogate area. That is where the major investment has been made.

Those who come to exchange ideas or products, tend to stay in good hotels and to spend more heavily than those who have come just to look or relax. They are also prepared to come in almost any month of the year. "Ordinary" tourism is still important to Harrogate and the qualities which attract visitors make Harrogate a

more interesting and pleasant conference venue.

There are said to be more antique shops in Harrogate than anywhere in Britain outside London, and the town delights in heating resorts like Cannes into second place in international floral competitions.

Although the Royal Bath Assembly Rooms closed for therapeutic baths in 1967 the Turkish Baths have been retained with sauna and solarium added. In the restaurant a pianist still plays as people sip their morning coffee.

Hotels move into top gear for the conference age

YOU CAN still take the cure in Harrogate. It costs 10p to visit the Royal Pump Room Museum and another 10p to descend to the original well-head and drink a glass of sulphurous water "efficacious in curing rheumatism, gout, digestive ailments and skin diseases."

But if the spa water is not so highly valued as once it was, the spa area has left one important economic legacy which has helped the town to develop as a conference and exhibition centre—a range of good hotels.

There are five four star hotels clustered within walking distance of the new conference centre and a total of 2,000 first class beds, with either private shower or bath in the town. In the town and surrounding district there are seven three star hotels, a total of 160 hotels, guest houses or farm houses offering accommodation and more than 4,000 beds.

If the new centre attracts more conference trade will Harrogate be able to cope?

There are already about 10 weeks a year when Harrogate is so busy—for instance during the International Toy Fair every January—that the town bursts at the seams.

Then some exhibitors have to stay as far away as Leeds, Bradford or York.

The success of the new centre

could increase the number of times when Harrogate has to put up the "full" sign at least in the short-term.

Plans are already underway, however, to increase the number of first class beds in Harrogate and to improve the quality of existing hotels.

The foundations for a new modern hotel have already been constructed as part of the conference project. Talks are at an advanced stage for the construction of a 480-bed four star hotel on the site which would be directly linked with the bar areas of the conference centre.

Mr John Abel, managing director of the George Hotel company, explained that his company sold the four star St George Hotel in Harrogate in 1980 to provide capital to invest in the new hotel project. The plan is to invest a total of £12m in two stages to build a conference hotel and additional conference and exhibition space.

Outline planning permission has already been granted for another 400 beds in the town to be provided as they are needed.

In the meantime, the existing hotels of Harrogate are spending large sums on upgrading, redecorating and refurbishing with the pulling power of the new conference centre in mind. The Granby, for instance, has

spent £1m and the Hospitality Inn, facing the Stray, the 200 acres of greenery which almost encircles the town, has spent £300,000.

The largest hotel in town, the Majestic, has already spent £500,000 on its public rooms and is upgrading its bedrooms in stages.

The Old Swan, where Agatha Christie stayed when she "disappeared" for three weeks and where the film Agatha was shot, has spent more than £300,000.

Most of the large Harrogate hotels could not survive without the conference and exhibition trade. Mr Frank Flaherty, general manager of the Majestic, says that it accounts for more than half of his business.

The main problem at the moment is that there are sharp peaks and troughs.

Hoteliers hope that eventually the new conference centre will help to smooth out the unprofitable troughs. Although they may also grumble at delays and cost and increasing rates they are convinced of the long term merit of the investment.

Mr Flaherty, whose hotel grounds almost touch the new centre, commented: "In 25 years' time it will be said that the council showed tremendous foresight and wisdom to have built a major international centre."

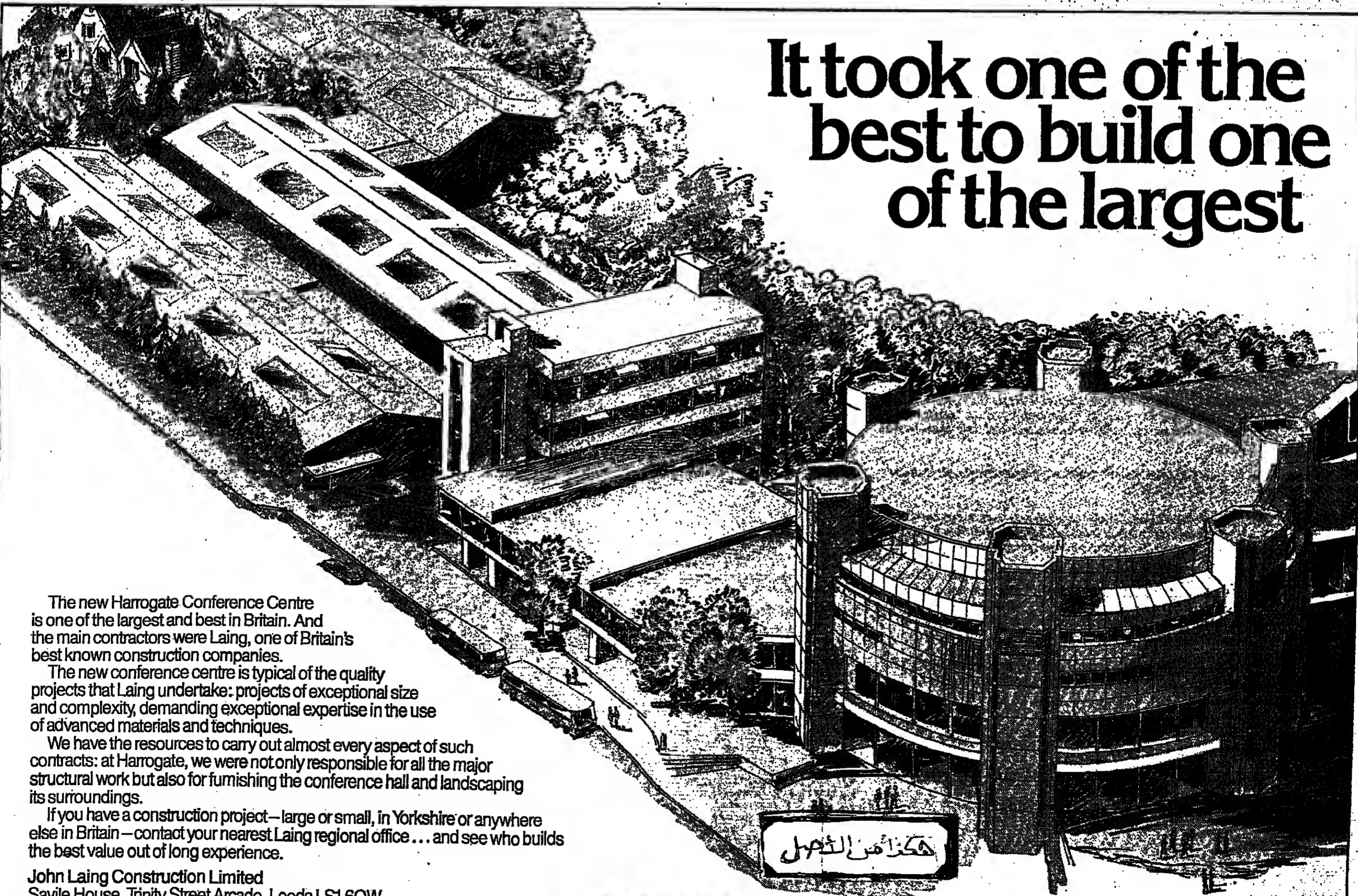
James Herriot.

The town of Brawton in the novels is Harrogate and Herriot weekenders, before being whisked off to Thirsk, in the hope of catching a rare glimpse of their hero, are often treated to a Harrogate dinner at which the real live partner of James Herriot, who recently retired as a vet, tells them of his life and times.

North of York another literary-television site of pilgrimage is beginning to draw increasing attention—Castle Howard where Brideshead Revisited was shot.

Mr Tony Miles, resort services director, believes that any lasting distinction between conference visitors and tourists may be misleading. "The conference delegate often comes back to the area as a tourist and brings his wife," he says. On the second visit it is the small hotels, guest and farm houses which benefit.

However, conference delegates and visitors may not mix all that well. One tourist on a discount weekend was horrified to find his hotel full of people earnestly trying to sell each other video equipment.



It took one of the best to build one of the largest

The new Harrogate Conference Centre is one of the largest and best in Britain. And the main contractors were Laing, one of Britain's best known construction companies.

The new conference centre is typical of the quality projects that Laing undertake: projects of exceptional size and complexity, demanding exceptional expertise in the use of advanced materials and techniques.

We have the resources to carry out almost every aspect of such contracts: at Harrogate, we were not only responsible for all the major structural work but also for furnishing the conference hall and landscaping its surroundings.

If you have a construction project—large or small, in Yorkshire or anywhere else in Britain—contact your nearest Laing regional office... and see who builds the best value out of long experience.

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LAINING

Employer: Morgan Grenfell (Local Authority Services) Limited/Council of the Borough of Harrogate.
Architects: Morgan Bentley Ferguson Cale and Partners.

Consulting Engineers: Robert T Horne and Associates (Structural)
Ford Higgins and Pole (Mechanical and Electrical).
Quantity Surveyors: Wilfred Sykes and Needham.



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HARROGATE CONFERENCE CENTRE



The new exhibition hall with overhead racks to carry services

Investing in the future

CONFERENCE CENTRE managers who have just taken possession of new conference centres are very prone to claim, and go on claiming, that their building is not only the best in the region but also in the country, Europe, the world.

Such claims can usually be only tested adequately by conference organisers trying the place out and comparing the experience with the opposition. Before its doors were open, professionals in the conference and exhibition field were saying nice things about Harrogate.

Exhibition managers of the British Exhibition Venues Association, interrupted during a meeting in Harrogate last month, were very flattering. Mr Ray Purnell, chairman of the association, commented that the centre was "absolutely stunning. You have to go to Europe to find anything like it. There is nothing to touch it in Britain. It is the finest — an investment in the future which is bound to pay off."

the advance of both recession and telecommunications. Apart from commercial considerations, it was also deliberately decided to have a large supermarket as part of the centre so that it would seem less a thing apart from the life of the town. Morrisons, the Bradford-based supermarket company has already opened in the store after spending £2m on fitting it out and hiring a staff of more than 150. It has the use of 200 of the centres 400 car spaces during the day.

"In a sense, Harrogate had greatness thrust upon it," Mr Joe Bentley of Morgan Bentley architects says. "We were aware that Birmingham,



Brighton, Wembley and Barbican were on their way..." Europe was scoured for ideas. As a result, Harrogate is a member of a very exclusive club — the British Conference and Exhibition Centres Export Council. A town or city must have a modern, purpose-built conference centre capable of seating at least 2,000 people to join the group which combines to market their facilities internationally. Until now, Harrogate has had the distinct disadvantage of being merely an artist's impression on the brochures alongside pictures of

**Harnessing
new
technology**

FOR HARROGATE there have been some advantages from the delay in completion of the centre. The technical equipment is the very latest — particularly important when technology is changing rapidly.

Some of the sound and lighting equipment was ordered as recently as 12 months ago, with subsequent savings in cost, size and quality.

"We were building at the right time to harness all the new technology. There may be increasing sophistication but not much fundamental change for the next decade," Mr Joe Bentley of Morgan Bentley and Partners of Harrogate, the centre architects, believes.

The centre was able to buy a closed circuit television system for £2,000 that would have cost between £12,000 and £15,000 a few years earlier and the 160-way light pallet memory control board which cost £14,000 would have been £100,000 four years ago.

There was also time to learn from the experiences of other new centres. At the Wembley centre it was found that pop groups liked to do their sound mixing close to the stage. So apart from being operated from the control rooms at the rear of the Harrogate auditorium, the 24 channel sound mixing desk can also be used at the centre of the hall.

Technically, the Harrogate auditorium is a compromise. Apart from conferences and exhibitions it has to be capable of staging everything. The only notable exception is opera or drama needing extensive scenery.

About 95 per cent of the centre's equipment is British made as a result of council policy. Other features are: ● An extension grid which extends over the whole platform which can be stepped by three lifts which can travel from auditorium floor level to 2m above. ● A control level which sweeps round the auditorium and houses lighting, sound, projection, interpreter booths, VIF viewing and broadcast control. The interpreter booths have not been fitted with permanent equipment however — this will have to be hired. ● Sound systems designed to match or exceed broadcasting or recording studio standards. ● A chairman's panel to select, and silence where necessary, floor speakers which are rented through the mixer, and make use of loudspeakers in the ceiling. ● Specially designed seats for the auditorium which are to be called the "Harrogate Conference seat". ● A fire security system which links each room in the centre to a central alarm panel visible to fire services from outside the building.

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In the world of super salesmen

IN MAY, Mr Tony Miles, director of resort services for Harrogate, attended a meeting of the "Big 5" conference centres, the group set up four years ago to market jointly abroad the Barbican, Birmingham, Brighton, Harrogate and Wembley conference centres.

Like serious poker players who are also friends, they sat around the table together knowing that each (plus the Royal Albert Hall) was fighting to attract the Eurovision Song Contest. But not a word was said on the subject.

It is an example of the curious mixture of co-operation and deadly rivalry involved in pulling off the big prizes in the conference world.

Tony Miles struck early. When Bucks Fizz won last year's contest in Dublin giving Britain the right to stage this year's contest, he was on to the BBC first thing on Monday morning.

"You have to move fast in the conference business," says Mr Miles, who has 30 years experience in the organising of municipal entertainments, conferences and exhibitions.

When an inquiry is received in his office, he is on the phone that morning to see when the inquirer can come to Harrogate with spouse to see the facilities and surrounding area.

It is a difficult, ambiguous world for municipal conference directors. They must be super salesmen prepared to spend money entertaining possible clients in the best restaurants while at the same time being council employees having to account for every penny to political masters.

"I was once attacked for going to the conference of the International Congress and Convention Association in Vienna," he says.

But after explaining the value and necessity of such international contacts he got a round of applause from the councillors. It is important he believes, to know his counterparts in West Berlin or South Korea.

Tony Miles started as an office boy in the Margate council offices and worked his way up to entertainments manager, where he was in charge of his father who ran the resorts deck-chair service.

Since 1972 he has been at Harrogate first as deputy and then as resort services director.

Tony Miles will now run everything from art galleries and museums to arranging the venues for professional wrestling and performances of the Halle orchestra from his new office in "one of the finest conference centres in Europe."



Mr Tony Miles, resort services director: friendly rivalry.

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The man who changed the spa's image

MR BILL BAXTER remembers Harrogate when the early morning streets were full of carriages and landaus and the Royal Pump Rooms served 3,000 glasses of improving water between 7 am and 9 am before high society returned to their hotels for breakfast.

"Harrogate's century was the 19th, particularly after the railway came in 1847, whereas Bath was fashionable in the 18th century," Mr Baxter says as if he had been there then too.

"Between York races and the St. Leger, all of Victorian Society came to take the cure. If the Prime Minister had wanted to hold a Cabinet meeting it would probably have had to have been in Harrogate."

Bill Baxter was Harrogate entertainments manager from 1945 until his retirement in 1968 and saw the spa era pass away. He was involved in the change of direction to conferences and exhibitions which saved the town from an otherwise inevitable decline.

The depression of the 1930s, the disruption of war when the hotels were commandeered as hospitals, and finally the advent of the National Health Service killed off the spa business.

"Harrogate reorganised itself and we were the first in the conference field," Mr Baxter says.

Not all the old hotels survived the transition. The Queens, for instance, is now the headquarters of the Yorkshire Regional Health Authority.

Mr Baxter believes the new conference centre, built on what was once a municipal tennis courts where a Davis Cup match was played and Fred Perry gave exhibitions, is a logical development.

"We had to do it. We started in conferences very early and we just had to keep up with the competition," says Mr Baxter, who in his 78th year is still chairman of Harrogate and District Hotels, Guest Houses and Restaurants Association.

He was involved in the British Advertising Convention held in Harrogate in 1925. He believes it is indicative of the future that 1,000 advertising executives and marketing directors will return to the town in September for their annual conference in the new centre. The new international centre was apparently a key reason for persuading the association to break with their tradition of holding their annual conference in Brighton.

Mr Roger Underhill, director-general of the association, commenting on the decision, said: "We felt it was time for changes. By holding the conference in Harrogate we shall be closer to the industrial heart of the country where so many of our advertising members are based."



Mr Bill Baxter: first in the conference field.

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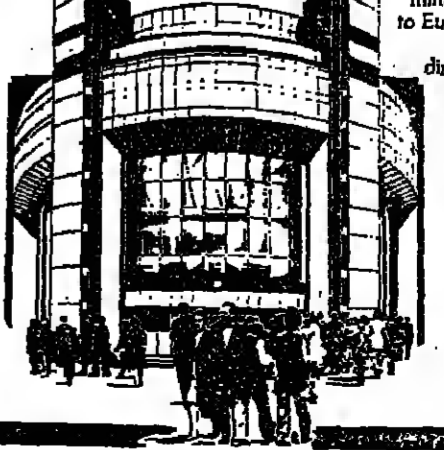
Harrogate - England's Floral Town with superb shops, hotels and restaurants - at the gateway to the beautiful Yorkshire Dales, close to romantic Knaresborough, the ancient City of Ripon and amidst a galaxy of satellite attractions.

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Inn-keeper: Mr. A. Zammit.



THE MANAGEMENT PAGE

ITT learns the importance of national identity

Ian Hargreaves, in concluding his analysis of the U.S. multinational, highlights its European operations

NOTHING in ITT's vast 90-country empire has given the company such persistent problems in the last five years as ITT Europe...

Closure

ITT can hardly be surprised if outsiders are confused about its intentions towards Europe. In 1978-79, when Iymer Hamilton was briefly chief executive...

Within Europe, ITT expects its new system 12 switch to enable it to hold on to its very substantial share of the European switch market.

Television has thus been the most striking and concrete example of Araskog's European strategy, which appears to have five elements: 1-Continue to sell peripheral businesses...



- 1. West Germany: has 96 per cent of ITT Europe's sales and makes telecomm equipment, motor parts, bathroom fittings, semiconductors, fasteners, pumps and Leibnitz kitchen gadgets...

BOARDROOM BALLADS EAST OF EDEN

From London to Bonn and Chicago, In Zurich, Toronto and Nice; Every island and archipelago From Chile, to Holland and Greece...

But it's not just the fact that we're losing The markets that's causing the fuss; It's these damned funny methods they're using...

Beleaguered in Basle and Benghazi, The most robust of corporate men, Quake of the vast kamikaze Herds of the murderous yen...

And as for the dubious morals Of having a National Plan, With a MITI to sort out the quarrels— Let's just muddle along as we can!

In Bradford, Detroit and Lisaka There are puzzled executives who Pray that they'll learn in Osaka, To do it the way that we do.

NEXT WEEK: NEW FASHIONS IN MANAGEMENT

is also run from New York, although its strongest operational element is Alfred Teves, the West German brake company, which has in the last three years been able to use its experience in European front wheel drive cars to seize from scratch 30 per cent of the U.S. non-captive brake market.

says are for him the key think tanks of the organisation, are also closely connected with element four. Cross-fertilisation to develop a global communications industry strategy is perhaps the most essential and difficult part of ITT's long-range planning.

probably what ITT needs in the 1980s, but it does not alter the fact that the European landscape continues to look hilly. Nationalism in telecommunications and political vagaries in the flow of capital to the telephone authorities will continue to create unease in ITT's switch business and at the broader EEC level, ITT feels it could still have some problems from things like the tougher proposals on reporting requirements.

stamped with an ITT logo—a notoriously unprofitable and insecure way to do business, although something ITT says it needs to do to round out its TV product offerings to dealers.

The rigidity of a management structure dominated by product line was also preventing necessary flexibility in R and D and in the labour area was creating conflicts for country managers, who had to deal with the political problems caused by, say, a plant shutdown ordered by a product line manager in Brussels.

Item five is one of ITT's perennial frustrations. As the company moves to electronic telecomm switches rather than electro-mechanical, it needs many fewer people and facilities.

At one time, ITT was cautious about using its name in Europe as a product of sensitivity towards nationalism and, perhaps to do with the blackening of the company's image during the political scandals of the early 1970s.

It is a sign of the times that outside Austria, this story attracted very little attention. The times, like ITT, have changed.

Business courses

Management Skills for Technical Managers, London, January 27-29. Fee: £375 (plus VAT). Details from AMR International, 6-10 Frederick Close, Stanhope Place, London W2 2BQ.

Surplus

In Britain, says Guilfoyle, STC has done well, although Europe-wide lay-offs have cost ITT \$150m in the last four years, part of a \$350m global charge taken for "technological restructuring."

A computer, yes, but which one?

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Advertisement for 'The Which Computer? Show' featuring a circular logo and text about computer technology.

Advertisement for Northern Ireland featuring a large image of a man and text: "Engineering excellence? High productivity? Good industrial relations? You can depend on Northern Ireland."

Sir Kenneth Corfield Senior Officer ITT United Kingdom is Chairman and Chief Executive of its subsidiary Standard Telephones and Cables (STC), which employs 2,000 in electronics and telecommunications in Northern Ireland.

How Research can help Financial Organisations Communicate Internally and Externally, Rome, January 27-29. Fee: SwFr 960 members, SwFr 1125 non-members of the European Society for Opinion and Marketing Research and the European Financial Marketing Association.

Advertisement for 'THE INTERNATIONAL MANAGEMENT NETWORK OF BUSINESS MAGAZINES' with a table of publications and their audiences.

Advertisement for MAI computers with logo and contact information.

Advertisement for 'CALL IN THE INTERNATIONAL SPECIALISTS TO TELL YOU MORE' with a telephone icon and contact details for various cities.

Advertisement for 'NORTHERN IRELAND: THE OPPORTUNITIES ARE THERE. THE PROFITS ARE THERE.' with a form for requesting information.

Advertisement for 'NORTHERN IRELAND' with a logo and contact information.

THE ARTS

Cinema

Darling Lili

by NIGEL ANDREWS

Lili Marleen (AA) Prince Charles... Light Years Away (AA)... Taxi Zum Klo (A)... So Fine (A)... Warner West...

Jewish refugees across the German-Swiss border... The film wraps this simple tale of love and country...

letic turnings of the head—the hilltop scene between Paul Newman and Julie Andrews in Torn Curtain... Lili Marleen confronts an evil society...



Hanna Schygulla in Lili Marleen

of his lover (played by Ripplöf's real-life consort Berndt Broderup)... The only blast needed in Andrew Bergman's slapstick...

Young Vic

John Mortimer's Casebook

by MICHAEL COVENEY

John Mortimer rests his case in the form of three short plays wrapped up in the device of a prison concert party...

ICA

Slips by ROSALIND CARNE

Lumiere and Son's latest creation is a bizarre and wonderful compilation of images out of fairy tale, myth and individual trauma...

Festival Hall

The Nutcracker

Before the Christmas decorations finally came down on Twelfth Night, I felt impelled to look at that ancient bauble, The Nutcracker...

Elizabeth Hall

Brahms by ANDREW CLEMENTS

might have given this recital some sparkle: it proved a worthy, unsmiling affair, demonstrating that programmes which look balanced on paper...

Vanitas and Variété

by MAX LOPP

From the recent repertoire of the major continental opera houses, an obvious lesson is to be drawn: those with large state or civic subsidies can afford to range more widely and audaciously...

world premiere by the Sicilian composer Salvatore Sciarrino (b.1927), and the Scala salute to mark the 50th birthday of Maurizio Kagel...

rather than clear signposts, is ever a risky request... The eight-man band (including accordion) sounds from the pit...

the eight-man band (including accordion) sounds from the pit... Elizabeth Hall

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F.T. CROSSWORD PUZZLE No. 4766

- ACROSS 1 Bill may need Tom to do this (4, 3, 7) 10 Left part of church to fall from the faith (5) 11 A bird with a beak having the end pointing upwards (5-4)...

For Share Index and Business News Summary, Telephone 246 8026

Grid for crossword puzzle with 29 numbered squares. Includes 'Solution to Puzzle No. 4765' and 'DOWN' section.

FRENCH INDUSTRIAL POLICY

'I am doing with nationalisation what de Gaulle did for nuclear defence. I am giving France its economic strike force'

—PRESIDENT MITTERRAND

'This is the first time I have seen an economy that was working extremely well being systematically dismantled. It's a textbook example of fixing something that was not broken'

—AMERICAN BUSINESSMAN

TWO kinds of economic thinking summarised in these statements lie at the heart of the debate that is currently raging in France over the new industrial policy being ushered in by the Socialists...

...a premium on new technology across the full range of industry. The combination of these two factors, he argues, meant a shift from an economy led by demand to one in which costs and quality have become all-important...

over the last few years. According to Government figures, French private companies have cut their spending by an average of about 1 per cent a year in the four years to 1980...

variably those, such as telecommunications and nuclear power, that are already run-by the state. Through nationalisation the same principle is now to be applied over a wider area of industry...

Government be able to get the necessary investment to reduce unemployment at a rate that is acceptable to its supporters?

Socialist planners say that between FR 25bn and FR 40bn a year (a little under half of this year's planned budget deficit) needs to be injected into investment, research and training over the next five years to achieve their aims...

THE SIX-MONTH honeymoon of the Social Democrat/Liberal Alliance is now over, and not before time...

By Peter Riddell

The Alliance after the honeymoon

The Alliance is not in question. As Mr Leon Brittan, one of the recent hand of gleeful Cassandras from the other major parties, has pointed out, the lure of electoral success will prove too strong for the partners to dispense with each other's services...

The dispute could be easily resolved if the Alliance was certain of winning 250 plus seats after the next election...

The two parties are distinctively different in origin and structure but it is far too early to say whether this will make them incompatible over the long term...

The reverse of this optimistic scenario is the kind of economic Armageddon imagined by the American businessman.

The clear element of nationalisation—even Gaullist-tub thumping in these projects has inevitably attracted suspicion from France's trading partners...

By Terry Dodsworth in Paris

FOREIGN PENETRATION OF FRENCH MARKET

Table with 4 columns: Category, 1978, 1979, 1981. Rows include Semi-manufactured goods, Household goods, Capital goods, Transport equipment, Industrial products.

Source: National Statistics Office

12m in the U.S. and 3.3m in Japan, against only 500,000 in France.

But, the American businessman might respond, what about the former Government's attempts to make French industry more internationally competitive?

M. Bouhill has two main answers to this line of criticism. First, he says, nationalisation will reinforce the positive elements in the previous Government's programme...

As a result, the Government should be able to ensure that France plunges further and faster into the technological revolution in strategic areas like consumer and industrial electronics...

M. Bouhill's second point underlines a radical change in official thinking about the traditional industries—the sectors that the last Government was determined to shake up...

Take the French shoe industry, for example," says M. Bouhill. "You can make shoes in old factories, using out-of-

Letters to the Editor

North Sea revenues—a stable and flexible tax

From the Chairman, Orion Insurance Company Sir—In his interesting article (January 7) on the taxation of North Sea oil, your Editorial Editor confirms the criticisms of the existing system...

so the information required is already on the record, if only for the purposes of PRT and, as we say in our report, we do not think that there should be room for much disagreement between the Inland Revenue and the companies over the matter.

which yield a similar degree of profitability would attract a similar rate of tax, but the top marginal rate under our proposals would be lower than that under the present system...

Credit card operations

From the Divisional General, Manager, Barclaycard Sir—Mr Latimer's letter (December 30) prompts me to set the record straight on the profitability of credit card operations and service fees charged to retailers...

Solidarity: a test for the West

From Mr V. Stepanov Sir—The article 'Solidarity: a test for the West' (December 29) by Anthony Robinson points forward a surprising argument for a European business newspaper...

Washington's real concern is to prevent Western Europe shipping, even ever so slightly, from the grip of the U.S. energy monopolies? Washington may be disappointed that its carefully orchestrated plans for counter-revolution in Poland have been foiled...

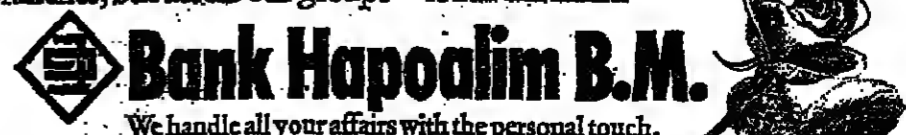
many of the greatest names in the electrical industry and find themselves under continual pressure to improve deliveries because this is an export job. We know full well that in the sector of industry in which we are dealing there is keen awareness of the need to meet export promises and there is certainly no tendency to obtain orders by giving falsely based delivery promises...

The average interest rate on overdrafts is significantly less than the 27 per cent quoted by Mr Latimer, who appears to have ignored the free credit period of up to eight weeks enjoyed by the majority of cardholders...



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UK COMPANY NEWS

Little change midway at Electronic Rentals

TAXABLE PROFITS of Electronic Rentals Group were little changed at £7.39m for the half year ended September 30 1981 compared with £7.42m...

DIVIDENDS ANNOUNCED

Table with columns: Company, Date, Current payment, Dividend, Total. Includes Asprey, Baker's Stores, Birmingham Pallet, etc.

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

national items, shows: rental - UK £59.02m (£59.61m) and £11.13m (£12.6m)...

After much higher tax of £3.78m against £384,000 minority interests...

As most of the exceptional costs to be incurred in 1981-82 were accounted for in the first six months...

Turnover 80,911, 80,123; Profit 14,033, 14,808; Dividend 2,552, 2,083.

Toye subsidiary bought out

Toye and Co., the craft industries group, is selling the persistently unprofitable precious metals giftware subsidiary, Taylor Maid (Consumer Marketing), to its management.

recent management efforts to pull it back into profits. Suffering the effects of violent fluctuations in bullion prices...

TRIDENT GENERAL

The paid-up capital of Trident General has been increased from £5m to £22m to provide further underwriting capacity as an independent and flexible market for professional intermediaries.

Kwik Save to raise £12.28m

Kwik Save Discount is raising £12.28m gross by way of a rights issue of 6.5m new 10p shares at 180p per share on the basis of one new share for every 10 held on December 17.

Mr. I. F. D. Hill, chairman, says that despite the continuing fierce competition among major food retailers, the group still has good prospects of maintaining its profitable expansion in the future...

Waddington shakes off its losses on withdrawn game

THE WITHDRAWAL by John Waddington of its controversial game, "Bombshell", resulted in a write-off of £180,000 and this has been included in the figures for the 26 weeks to October 17 1981.

Within two days, the company decided to cease production and promotion. The board says the company's financial position is strong, but the need for investment is paramount and in view of the results of the half-year, it has been decided to pass the interim dividend.

Bids and Mining News on Page 18

struck after interest charges of £366,000 (£365,000). The loan of £300,000 against a credit of £3,000, leaving a net debit of £363,000 (£362,000)...

Birmingham Pallet runs into loss

A PRE-TAX loss of £102,311 compared with a profit of £81,299, is reported by Birmingham Pallet Group for the year to October 31 1981 and the final dividend, like the interim, is being omitted—a total of 2.5p net was paid for 1979/80.

After six months taxable profits had declined to £14,000 (£25,000). The directors said it was "impossible" to forecast the outcome for the year.

JESSUPS Main Dealers for Vauxhall-Opel, Bedford and Ford, Leasing Specialists and Commercial Vehicle Body Builders. Includes financial summary table.

LOCKWOODS marketing Princess Foods, a wholly owned subsidiary of the Italian group, Buitoni, is assuming sales and marketing responsibility for all produce of Lockwoods Foods in the UK and Channel Islands.

NEW LIFE BUSINESS Royal Life success in the UK The VENTURE in the guaranteed income bond market and the school fees market last year Royal Life met with tremendous success.

SHARE STAKES Fercy Hilton—The National Coal Pension Fund has agreed a further 1m ordinary shares and now hold 4,632,700 (12.53 per cent).

CLYDE PETROLEUM plc City Exploration Company and City Petroleum Company and was advised by SINGER & FRIEDLANDER LIMITED 20 Cannon Street London E.C.4.

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Companies and Markets BIDS AND DEALS

MINING NEWS

Blue Circle offshoot sale may bring bids of £40m

Blue Circle Industries, the cement manufacturer, will invite bids for its West Midlands-based sand and gravel quarrying subsidiary, Blue Circle Aggregates.

Rustenburg Platinum is feeling the pinch

BY KENNETH MARSTON, MINING EDITOR

UNDER NORMAL circumstances the price of platinum on the free market (which is largely supplied by Soviet material) is some 20 per cent above that of gold.

Europe," says Mr Waddell. Why does not Rustenburg lower its selling price to nearer the free market levels? Mr Waddell answers this by pointing out that free market platinum stocks held by speculators have now diminished and "the limitation of stocks held by other than the producers is primarily motivated by the desire to realise cash to be invested elsewhere and consequently the price realised for the platinum appears to be a lesser factor."

yield of 18 per cent on a twice-covered dividend.

Nchanga's new copper plant

ZAMBIA'S state-controlled Nchanga Consolidated Copper Mines (NCCM) says that construction is to start soon on the third stage of its K206m (£122m) tailings (mine residue) leach plant at the Chingola mine division.

The plant, which will recover remaining copper from the waste material, is due to come into operation in the last quarter of 1984. It will provide a cheaper method of obtaining new copper than shaft-sinking and is expected to produce 204,000 tonnes of the metal over a 15-year period.

Material for the new plant will come from tailings dams around the Chingola division which have built up since mining started there in 1939.

NCCM said it is assembling project funds from various international lending houses.

Engineering design and construction management will be provided by NCCM and its wholly-owned British subsidiary, Zambia Engineering Services. Plant construction will be contracted out to Zambian firms.

Estimated profitability of the new plant over the first 12 years of operation is K22m after depreciation and interest but excluding taxes.

The Zambian Government's tax share is put at K37m over the same period. NCCM and Zambia's other state-controlled copper company, Roan Consolidated Mines, are expected to complete legal aspects of their merger arrangements around the end of March, forming the new Zambia Consolidated Copper Mines.

London Shop rejects 135p a share Rosehaugh offer

BY WILLIAM COCHRANE

London Shop Property Trust yesterday flatly rejected the 135p-a-share bid from Rosehaugh, which valued the company's equity and near-equity at £19.7m.

Rosehaugh's offer was subject to two major conditions: the recommendation of the London Shop board; and London Shop shareholders voting against London Shop's own proposal of a merger with its sister company, Beaumont Properties, at a shareholders' meeting next week.

In a letter to shareholders, London Shop's chairman, Mr J. Hugh Jones, says: "Where Rosehaugh to proceed with the proposed offer, your board would strongly advise its rejection as being totally inadequate."

City observers expect that Rosehaugh will increase its bid, possibly today. The company's advisers, J. Henry Schroder Wagg, have been taking soundings among the institutional shareholders which hold some 35 per cent of London Shop, and the feeling exists in the City

RTZ builds up Ward stake to 24.9%

BY WILLIAM COCHRANE

Rio Tinto-Zinc has acquired a further 5.55m shares of Thos. Ward in the market at 230p per share cum dividend, equivalent to the value of its cash bid for Ward under the revised terms announced the day before yesterday.

This has brought RTZ's stake in Ward's ordinary equity up to 14.55m shares, 24.9 per cent of the total. Acceptances received from Ward shareholders by January 6 accounted for a further 3.15 per cent.

Retaining the Ward board's rejection of RTZ's bid, Mr Peter Frost, the chairman, yesterday wrote to shareholders urging them not to "help the bidder by selling their shares in the market. He said he would be writing to them, again shortly with detailed comments on the revised bid.

Consequently, Rustenburg's profits for the first half of the current year to August 31 "are likely to be severely lower" than in the same period of 1980-81 when net profits fell by 2.7 per cent for the full year.

"The same is true for the (current) year as a whole and, indeed, until either a better balance of supply and demand is established at Rustenburg or until there is an economic recovery in the U.S. and Western

Guinness Peat seeks to solve long-running row

BY WILLIAM COCHRANE

THE Guinness Peat board will meet today to discuss possible solutions in the long-running row between Mr Edmund Dell, the group's chairman and chief executive, and Lord Kissin, the founder and life president.

Guinness Peat's advisers, Morgan Grenfell, and Lord Kissin's advisers, Hambros Bank, have held a series of meetings over the last month, following the announcement that Lord Kissin was preparing to make a partial bid for a "significant stake" in the group.

Since Mr Dell took over as chairman, from Lord Kissin in November 1979, the group's profits have fallen sharply. The dividend has been cut and several old-established group investments have been sold.

Lord Kissin is understood to have been unhappy at the speed with which many of these sales have been completed and the new direction the group has been taking. Other non-executive directors are understood to be sympathetic to his views and prepared to back his partial bid.

The Bank of England has been drawn into the affair and has been helping both sides in their search for a compromise. Several solutions have been canvassed, but the one which seems most likely involves a

Holden board not told of IP purchase

BY WILLIAM COCHRANE

Arthur Holden, the specialist surface coating manufacturer, yesterday repudiated quickly to the acquisition of a 12 per cent stake in the company by International Paint, a subsidiary of Courtaulds.

Holden said that the purchase was made without "the knowledge or consent of the directors of Holden". The company said that the directors of Holden "wish to state that they do not share the belief of IP in the desirability of a closer relationship between the two companies."

SOGOMANA IN LAND TALKS
Sogomana Group says it is negotiating with a Malaysian company for the sale of 527 acres of Shelford Estate at a price of approximately M355m (£8.1m). These negotiations are at an early stage and completion would be subject to approval of the Malaysian authorities.

WESTERN SELCTN.
Western Selection and Development has agreed, subject to contract, to sell its wholly owned subsidiary British Patent Glazing Company to Aluminium and Timber Securities. The sale price will be based on the net asset value of £1.5m as at September 30 1981, and is subject to agreement between the parties.

Ladbroke sells off public house chain and racetrack

Ladbroke Group, the leisure betting and hotels group, is selling off its R. V. Goodwin chain of 18 public houses to Chef and Brewer, a subsidiary of Grand Metropolitan. At the same time the group is also selling the racecourse at Lingfield Park, Surrey, to a company controlled by Mr R. A. Muddle, a businessman with racing interests.

Chief and Brewer is the largest managed house group in the UK, the latest acquisition giving it a total of 1,619 public houses. Of the 18 pubs being acquired from Ladbroke 13 are in the Greater London area. The total number of public houses in the Grand Met group is some 5,000. The group controls the Watney Mann and Trumans breweries.

HEMDALE ACCEPTS
Acceptance of the offer by Southbrook and City Holdings for Hemdale Film Group have been received in respect of 5,594,922 shares (83.67 per cent). With the 488,779 shares already held, this amounts to 7,083,715 shares (95.24 per cent).

LOF PURCHASE
London and Overseas Freighters has bought out the minority in Welsh Overseas Freighters for £2.66m in cash. LOF has owned 51 per cent of the company since it started trading 21 years ago. The company's principal asset is the 27,107 tonner, the "Welsh Voyager", built in 1977.

LINFOOD HOLDINGS
Linfood Holdings expects to complete the sale of its barely profitable Dettwiler Wholesale division before the end of its financial year on April 24. Subject to the approval of its shareholders at an extraordinary meeting on February 5, the stores, cash and carry and wholesale group will sell the division to its existing management team in an asset-related deal which is expected to be worth £21m. The division is to be re-named AFD Holdings.

BRASILVEST S.A.
Net asset value as at 30th December, 1981 per Cr\$ Share: 101,206 per Depository Share: U.S.\$7,308.62 per Depository Share (Second Series): U.S.\$6,863.24 per Depository Share (Third Series): U.S.\$5,840.70 per Depository Share (Fourth Series): U.S.\$5,436.45

SVENSKA HANDELSBANKEN
NOTICE IS HEREBY GIVEN that pursuant to paragraph 4 of the terms and conditions of issue of the amount of US\$1,000,000 for redemption as per 1 March 1982 will be withdrawn from the Sinking Fund. A drawing by lot of bonds will not be affected this year. The amount outstanding after redemption as per 1 March 1982 will be US\$24,000,000. Stockholm, January 1982 Svenska Handelsbanken

Brockhouse Limited
Hill Top, West Bromwich, West Midlands
Extracts from the statement by the Chairman, Mr. R. J. H. Parkes.
CASTINGS AND FORGINGS
A traumatic year. Position stabilised; profitable trading now coming through.
GENERAL ENGINEERING
Little upturn seen in immediate future but an improving situation expected by mid-1982.
HANDLING AND PROCESS PLANT
An excellent year. A good year ahead forecast.
STEEL
At home prices hardening; future now more encouraging.
OVERSEAS
A good performance.
"I am optimistic that the year ahead will produce a return to profitability and a firm base for future progress."
Results in 30th September 1981.
Sales £58,915,000
Loss before Tax £1,959,000
Dividend per share 1.00p

JAMES NEILL
James Neill Holdings sold the unexpired term (173 years) of its leasehold in premises in Handsworth Road, Sheffield. The sale was made to IFC Properties for £1.93m on December 31. The whole of the premises were simultaneously leased back to the company for a 50-year term.

MOORE AND WRIGHT
Moore and Wright, manufacturers of micrometers and other precision tools, and a wholly-owned subsidiary of the company, will continue to occupy the premises.

FOREX ON FINTEL
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Guinness Mahon & Co. Ltd.
Give you prices of all major currencies every few minutes, direct from their dealing room.
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Offer monthly forecasts for the important currencies, plus currency overview and daily market reports and forecasts, from the Singapore, London and New York forex markets.
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Name: _____
Company: _____
Address: _____
Telephone No.: _____
Fintelligence it comes only from the world leader in the business of viewdata.

ESPLEY-TYAS/QUEEN STREET
Espley-Tyas, property group, has received acceptances to its offer (including those not valid in all respects) in respect of 13,530,215 ordinary shares in Queen Street Warehouse (Holdings) (88.63 per cent). The offer is now closed.

UNITED CARRIERS PARCELS EXPRESS
United Carriers has purchased the outstanding 75 per cent interest in Parcels Express from Greater Manchester Passenger Transport Executive together with the freehold premises from which Parcels Express operates at Parris Wood, East Didsbury, Manchester.

ARBUTHNOT LATHAM
The recommended offers made by County Bank on behalf of Dow Scandia for Arbuthnot Latham Holdings were declared unconditional in all respects on November 19 1981.

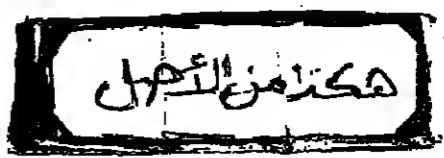
MIDLAND NEWS
The listing of Midland News Association's 5 per cent cumulative preference shares has been cancelled—more than 86 per cent have been acquired by Clancy Company. Application to make specific bargains in the shares under Rule 163 (2) may be submitted.

LONDON TRADED OPTIONS
Table with columns: Option, Expiry, Closing price, Vol., Closing offer, Vol., Closing offer, Vol., Equity close. Includes options for BP, Shell, and various metals.

EUROPEAN OPTIONS EXCHANGE
Table with columns: Series, Vol., Last, Vol., Last, Vol., Last, Stock. Includes options for GOLD, OIL, and various currencies.

BASE LENDING RATES
Table listing various banks and their lending rates, including Allied Irish Bank, American Express, and others.

BANK RETURN
Table showing financial data for the banking department, including liabilities, assets, and reserves.



INTERNATIONAL COMPANIES and FINANCE

Dispute over three ships threatens Reksten settlement

A DISPUTE over the future of three remaining tankers in the troubled tanker fleet of the late Mr. Hjalmar Reksten is threatening a preliminary agreement reached last month between Hambros Bank and the Norwegian authorities.

Strong opening quarter at MGM Film

EARNINGS HAVE risen sharply in the first quarter at Metro-Goldwyn-Mayer Film but the company warns that the second quarter could be severely impacted if there is a downturn in the currently depressed gross takings at U.S. cinema box offices.

U.S. Steel has taken over the 17th largest U.S. oil group. Paul Betts reports Little cheer as Marathon battle ends

THERE WAS a conspicuous absence of confetti and champagne to mark the end of the two-month multi-billion dollar battle for Marathon Oil.

\$19m charge at Flexi-Van

FLEXIVAN the vehicle trader and container leasing group, disclosed that several planned charges against fourth quarter earnings will wipe out the gains expected from its previously announced sale of tax deductibles and credits.

French bank FRN raised to \$400m

FRANCE'S standing in the international capital markets received a boost yesterday as the \$250m five-year floating rate note for the Banque Francaise du Commerce Exterior (BFCE) was increased to \$400m because of strong demand.

AM International to cut wages and workforce

AM INTERNATIONAL, the troubled U.S. office equipment maker, has cut the wages of all its domestic employees by 8 per cent in an attempt to conserve its cash flow.

Prudential acquires stake in Denver properties

URBAN INVESTMENT and Development Company, a unit of Aetna Life and Casualty Company, and Miller-Davis Company, of Denver, have sold a major portion of their joint partnership interest in properties in Denver, Colorado, to Prudential Insurance Company of America for more than \$500m.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of bond prices which will be published next on Tuesday January 12.

Table with columns for U.S. DOLLAR, SOFTE, DEUTSCHE MARK, SWISS FRANC, and OTHER STRAIGHTS. It lists various international bond issues with their respective prices and yields.

Japanese to issue \$800m in convertibles

THE VOLUME of new Japanese convertible bond issues in the Eurobond market is likely to be less than \$500m in the first quarter of this year.

Grandi Motori Trieste S.p.A.

Advertisement for Grandi Motori Trieste S.p.A. featuring a logo and text: 'US\$20,000,000 Medium Term Loan'.

Societa Finanziaria Cantieri Navali Fincantieri S.p.A.

Advertisement for Societa Finanziaria Cantieri Navali Fincantieri S.p.A. featuring a logo and text: 'US\$20,000,000 Medium Term Loan'.

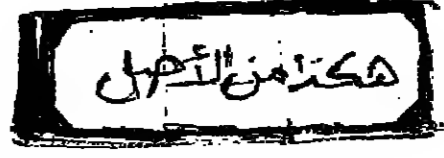
Japanese to issue \$800m in convertibles

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Japanese to issue \$800m in convertibles

THE VOLUME of new Japanese convertible bond issues in the Eurobond market is likely to be less than \$500m in the first quarter of this year.





Companies and Markets INTL: COMPANIES & FINANCE

CONTRACTS

Sharp cut in jobs at Sigma Motor

By Bernard Simenon, Johannesburg. SIGMA MOTOR, one of South Africa's largest vehicle manufacturers, has made large cuts and layoffs in its workforce...

Malaysians set up second trading house on Japanese lines

BY WONG SUI-LOONG, KUALA LUMPUR. MALAYSIA has set up its second multi-national trading agency in less than two weeks. Called Matra Corporation, it will have an authorised capital of 250m ringgit...

KL Stock Exchange censures food group

By Our Kuala Lumpur Correspondent. THE KUALA LUMPUR Stock Exchange has censured a leading drinks and food manufacturer, Yeo Hap Sang (Malaysia), for its profit forecast...

£4m hospital work for Sindall

A £4m contract has been awarded to SINDALL CONSTRUCTION by the East Anglian Regional Health Authority for Phase II of the new District General Hospital at Great Yarmouth...

London and Northern win £3.4m order

LONDON AND NORTHERN GROUP companies in Scotland and North West England have been awarded contracts worth £3.4m...

Malaysia Building Society plans increase in capital

BY OUR KUALA LUMPUR CORRESPONDENT. A SCRIP and rights issue is announced by Malaysia Building Society Berhad (MBSB), the leading Malaysian housing financier...

Saga Petrokijemi

EARLY last year Saga Petroleum offered to buy out the minority shareholders in its Saga Petrokijemi subsidiary. It was wrongly reported yesterday that the offer had been accepted...

London and Northern win £3.4m order

LONDON AND NORTHERN GROUP companies in Scotland and North West England have been awarded contracts worth £3.4m...

London and Northern win £3.4m order

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Notice of Redemption Transocean Gulf Oil Company

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the Indenture dated as of December 1, 1964, under which the above designated Debentures were issued, \$157,000, aggregate principal amount of such Debentures of the following distinctive numbers has been selected for redemption on January 30, 1982...

INTERNATIONAL APPOINTMENTS

Barings Far East posts

BARING BROTHERS ASIA, Hong Kong, has appointed Mr Peter G. H. Doidis as deputy managing director, Mr Richard C. Kirby as assistant director in Hong Kong and Mr Lee Chee Koon as manager in Singapore...

Associates Corporation of North America

U.S. \$250,000,000 Revolving Credit Facility

- AMSTERDAM-ROTTERDAM BANK N.V. BANK OF AMERICA NT & SA BANK OF MONTREAL BANQUE DE PARIS ET DES PAYS BAS BARCLAYS BANK OF NEW YORK CANADIAN IMPERIAL BANK OF COMMERCE CREDIT SUISSE DRESNER BANK AG FRENCH AMERICAN BANKING CORPORATION LA SALLE NATIONAL BANK MIDLAND BANK LIMITED NATIONAL WESTMINSTER BANK GROUP RBC FINANCE B.V. SWISS BANK CORPORATION TEXAS COMMERCE BANK

NOTICE The following Debentures previously called for redemption through operation of the Sinking Fund have not as yet been presented for payment.

Table with columns for Debentures Called January 30, 1977 and Debentures Called January 30, 1978. Lists various debenture numbers and amounts.

December 1981 ISA Interconexion Electrica S.A.

US\$38,200,000 Term Loan. Lead Managed by The Bank of Tokyo, Ltd. Orion Royal Bank Limited. Provided by The Bank of Tokyo, Ltd., The Royal Bank of Canada Group, Bank of America NT & SA, Creditanstalt-Bankverein, The Hokkaido Takushoku Bank, Limited, Euro-Latinamerican Bank Limited - EULABANK, Tokai Bank Nederland N.V., Toronto Dominion Bank. Agent Bank The Bank of Tokyo, Ltd.

ENERGY RESOURCES & SERVICES INCORPORATED

Net Asset Value 31st December 1981 \$9.03 per share (unaudited)

STOCKHOLDERS FAR EAST INVESTMENTS INC.

Net Asset Value 31st December 1981 \$2.09 per share (unaudited)

BANCO DI NAPOLI INTERNATIONAL S.A.

U.S. \$25,000,000 NEGOTIABLE FLOATING RATE CERTIFICATES OF DEPOSIT DUE 1986. Guaranteed by BANCO DI NAPOLI. Managed by FIRST CHICAGO LIMITED. ARAB BANKING CORPORATION (ABC), FUJI INTERNATIONAL FINANCE LIMITED, MIBC & SCHRODER BANK S.A., NIPPON EUROPEAN BANK S.A., TAKUGIN INTERNATIONAL BANK (EUROPE) S.A., TOKAI BANK NEDERLAND N.V. Agent FIRST CHICAGO LIMITED

CURRENCIES, MONEY and GOLD

\$ and £ strong

Dollar showed a firmer trend as Eurodollar interest rates rose, and the Federal funds overnight rate increased to 12 1/2 per cent.

FFR 10.9775; to SWF 3.5175 from SWF 3.4525; and to Y26.50 from Y22.50.

Trade-weighted index 107.6 against 106.8 on Wednesday and 110.4 six months ago.

Trade-weighted index 143.9 against 144.9 on Wednesday and 141.7 six months ago.

Trade-weighted index 91.6 at noon and at the opening, and 91.5 at previous close.

Trade-weighted index 80.7 against 80.8 on Wednesday and 82.5 six months ago.

Three-month interbank rate 13 1/2 per cent.

Three-month interbank rate 15 per cent.

Annual inflation rate 12.2 per cent.

Annual inflation rate 14.3 per cent.

Annual inflation rate 14.3 per cent.

Annual inflation rate 14.3 per cent.

THE POUND SPOT AND FORWARD

Table with columns: Jan 7, Day's spread, Close, One month, % Three months, % Six months.

THE DOLLAR SPOT AND FORWARD

Table with columns: Jan 7, Day's spread, Close, One month, % Three months, % Six months.

CURRENCY MOVEMENTS

Table with columns: Bank of England, Morgan Guaranty, Jan. 7, Jan. 8, % change.

CURRENCY RATES

Table with columns: Bank's Special, Jan. 8, % change, Note Rates.

OTHER CURRENCIES

Table with columns: Jan. 7, Jan. 8, % change, Note Rates.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, % change, Divergence limit %.

EXCHANGE CROSS RATES

Table with columns: Jan. 7, Pound Sterling, U.S. Dollar, etc.

FT LONDON INTERBANK FIXING (11.00 a.m. JANUARY 7)

Table with columns: 3 months U.S. dollars, 6 months U.S. dollars.

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Table with columns: Jan. 7, Sterling, U.S. Dollar, etc.

MONEY MARKETS

UK rates steady

London clearing bank base lending rates 14 1/2 per cent (since December 4).

GOLD

Further fall

In Paris the 124 kilo gold bar was fixed at FF 75,000 per kilo.

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MONEY MARKETS

UK rates steady

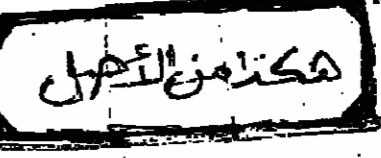
London clearing bank base lending rates 14 1/2 per cent (since December 4).

FT UNIT TRUST INFORMATION SERVICE

OFFSHORE & OVERSEAS FUNDS

Large table listing various investment funds, their managers, and performance metrics.

Advertisement for 'Insatiable' exchange service, featuring the text 'This new Exchange can handle 70,000 futures trades every hour...' and the INTEX logo.



Fresh early Wall St decline

TAKEING ITS CUE from a weakening Bond market, Wall Street lost fresh ground in a fair turnover yesterday morning.

The Dow Jones Industrial Average, having fallen 2 1/2 points over the past two days, was 851 1/2 at the close of the day.

Analysts said both stocks and bonds are still reacting to bearish developments on the interest rate front, particularly the heavy start moving higher by mid-year.

Concerns about the heavy schedule of Treasury financings in this quarter are also pushing bonds down, analysts said, and the bargains available in that market are drawing investors away from the stock market.

Declines were spread across the board, with Technology, Oil, Rail and Precious Metals stocks registering some of the more significant falls.

Oil stocks have been falling all week, reflecting predictions that crude oil prices will be lower this year.

U.S. Steel was off 1/2 to \$28 1/2. The company was the victor in a struggle with Mobil to acquire Marathon Oil, and yesterday it purchased 30m Marathon shares.

THE AMERICAN SE Market Value Index fell 3.09 to 308.20 at 1 pm. Volume 2.82m shares (3.22m).

Closing prices for North America were not available for this edition.

Canada

A further sharp decline occurred in Canadian markets in another moderate early trade.

The Toronto Composite Index was down 17 1/2 more at 1,883.11 at the close of the day.

Greyhound Lines fell 1 1/2 to C\$20.10, Canam Mines 1 1/2 to C\$18.10, and Gas C\$1 to C\$25.10.

In active trading, Dome Petroleum shed 1/2 to C\$19.10, and Noranda 1 to C\$21.10.

Tokyo

The market retained an easier tendency to moderate activity, with scattered liquidation of margin positions taking place.

Wall Street's further decline overnight, while the sentiment was also dampened by gloomy prospects for Japanese exports due to trade conflicts with Western partners, stock analysts said.

The Nikkei-Dow Jones Average was only 638 lower, 7,697.22, but the Tokyo SE was down 1.98 weaker at 567.57.

Turnover matched Wednesday's level of 260m shares.

Light Electricals, precision Instruments, Motors, Heavy Electrical Machines and some other leaders were easier but Non-ferrous Metals, Oil and Machine Tools were bought selectively.

Toyota Motor shed Y30 to Y1,000. Mitsubishi Elect Y3 to Y31. Canon Y12 to Y985. Sharp Y20 to Y700. Yizhishi Heavy Y4 to Y246 and Tokyo Marine Y6 to Y504.

High Technology issues, such as Optical Fibres, Robot Makers and Synthetic Fibres, declined a little on profit-taking, while some recently strong Pharmaceuticals lost ground.

Kyoto Ceramic, Y4,050, relinquished Y90 of the recent trading range, with some institutions appearing to be mostly buying relatively cheap blue-chips. They added that the upswing did not indicate a real trend, and that when turnover does increase it may be due to an influx of sellers.

Paris

With sentiment favourably influenced by Finance Minister Jacques Delors' goal of an annual inflation rate of 10 per cent, the last quarter of 1952, stock prices, after Wednesday's pause, resumed Tuesday's strong rally in an active session.

The CAC General index climbed 2 1/2 to 92.3 and the Indicateur de Tendances index added 2 1/2 to 103.0.

Analysts said there had been some buying by Mutual Funds specialising in French stocks, and that market rumours of buying orders from foreign investors also fuelled the rally.

Advances outnumbered declines by six-to-one in the French section. The dollar premium closed at FF 171.74 after having opened at FF 170.70-FF 171.70.

Dealers noted that trading was unaffected by recent polls indicating employers' disillusion with the Government's economic policies.

Rises predominated in all sectors, although there was some selling among Motors and Transportation issues.

Radiotelephone featured with an advance of FF 25 to FF 220. Bank of Paris rose 10 to FF 1,285 and Bouygues FF 51 to FF 1,050.

Hong Kong

Prices opened on a steady note yesterday following favourable Press comment, and generally gained ground later when some institutional support developed.

The Hang Seng index improved to 1,409.40, but turnover totalling HK\$1.40m on the four exchanges against the short Wednesday session amount of HK\$119.48m.

Brokers commented that the market is bouncing within a trading range, with some institutions appearing to be mostly buying relatively cheap blue-chips. They added that the upswing did not indicate a real trend, and that when turnover does increase it may be due to an influx of sellers.

Germany

Uncertainty about U.S. interest rates coupled with weak West German Bond markets depressed the stock market somewhat, but brokers said their view was foreign buying which left shares no worse than mixed.

On the Domestic Bond market, Public Authority Loans posted losses reaching 60 pfennigs. The Bundesbank bought DM 83.4m of paper after buying DM 14.8m the previous day.

Persistent sales this week of Schuldscheine Promissory Notes by the Federal Government, which yesterday offered maturities of eight-to-10 years yielding a maximum 10.1 per cent, are depressing the Bond market, dealers said.

Mark Eurobonds eased by 1/2 of a point in quiet trading.

Australia

Shares were mainly softer, continuing Wednesday's declining trend, with Oil issues weakening afresh after a recent firming trend. The All Ordinaries index lost 3.7 to 583.1 and Oil and Gas 13.2 to 664.2.

Amalgamated, Alliance shed 20 cents to \$1.60, Santos 24 cents to \$1.56, Wampas 24 cents to \$1.09 and Charnock 4 cents to \$1.35.

JAPAN (continued)

Kubota... 341 +0.05
Kumagai... 400 +0.80
Kureha... 400 +0.00
Maeda... 271 -0.00
Marubeni... 330 -0.00
Mitsubishi... 1,150 -10.00
Nippon... 400 +0.00
Onoda... 317 -0.00
Sanyo... 400 +0.00
Shimizu... 246 -0.00
Sumitomo... 347 -0.00
Toshiba... 512 -0.00
Yamaha... 400 +0.00

NEW YORK

Table of stock prices for New York market, including columns for Stock, Jan 6, Jan 7, Jan 8, and various industry groups like ACP Industries, AM Int, etc.

STOCK

Table of stock prices for various international markets, including columns for Stock, Jan 6, Jan 7, Jan 8, and various industry groups like ACP Industries, AM Int, etc.

CANADA

Table of stock prices for Canada market, including columns for Stock, Jan 6, Jan 7, Jan 8, and various industry groups like AMCA Int'l, Alcan, etc.

BELGIUM (continued)

Table of stock prices for Belgium market, including columns for Stock, Jan 7, Price, and various industry groups like ACF Holding, Ahold, etc.

HOLLAND

Table of stock prices for Holland market, including columns for Stock, Jan 7, Price, and various industry groups like ACF Holding, Ahold, etc.

AUSTRALIA

Table of stock prices for Australia market, including columns for Stock, Jan 7, Price, and various industry groups like ANZ Group, Anz Aust, etc.

INDICES

Table of market indices for New York, including Dow Jones, S&P 500, and various industry indices.

NEW YORK

Table of market indices for various international markets, including Dow Jones, S&P 500, and various industry indices.

CANADA

Table of market indices for Canada market, including Dow Jones, S&P 500, and various industry indices.

BELGIUM (continued)

Table of market indices for Belgium market, including Dow Jones, S&P 500, and various industry indices.

HOLLAND

Table of market indices for Holland market, including Dow Jones, S&P 500, and various industry indices.

AUSTRALIA

Table of market indices for Australia market, including Dow Jones, S&P 500, and various industry indices.

Base values of all indices are 100 except Australia All Ordinaries and Metals-Tools-Transportation-400. NYSE All Common-50. Standard and Poors-100. Toronto-1,000. The last named comprises 40 industries, 40 financials and 20 transportations. A closed.

THE PROPERTY MARKET BY MICHAEL CASSELL

Rohan to develop riverside site

ROHAN Developments, the UK arm of the Dublin-based Rohan Group, is to develop the 100,000 sq ft office building planned for part of Morgan Crucible's controversial riverside site in Battersea.

The future of the London site has provoked several local uprisings on the part of the Battersea community ever since Morgan closed down operations there and announced that it intended to redevelop the 10.7 acres of land involved.

Rohan was among a short-list of five or six developers drawn up by Morgan and it has already obtained detailed planning permission from Wandsworth for its proposals. The single building will occupy a 1.5 acre site and will provide about 85,000 sq ft net of office floorspace. Work will begin later this year and should take about 18 months to complete.

Rohan, which will be purchasing the freehold of the land required for the office scheme, says it represents one of the most important riverside sites left in London and the scheme will offer a good headquarters location for a major company. There are, as yet, no tenants in mind for the building, which will lie alongside Battersea Bridge Road and is half a mile from Battersea heliport. Rohan, which is ready to sell the building on if a buyer comes along, has itself met site acquisition costs but is talking with potential funding partners for the office scheme.

of the overall redevelopment proposed by Morgan—there have been two public inquiries into the future of the site—and the remainder of the land is to be given over to homes and a riverside walk. Wates, the housebuilders who have been involved in previous proposals for the site, are understood to be ready to announce an agreement to develop the housing.

The Battersea deal represents something of a milestone for Rohan, which has for two years been trying to diversify its UK operation away from the industrial sector. It is currently engaged on a small office project in Kent but the Battersea scheme is by far its largest office coup to date. The company is also looking at infill retail schemes and town centre projects of up to £25m.

According to John Taylor, the ex-British Land man who heads up the UK operation, he has had an eye on the Battersea site for two or three years, long before he joined Rohan. He is enthusiastic about the scheme's potential—refusing to accept that the south bank site represents a problematical location—and says the development will provide top quality space with ready access to the heart of London.

Though keenly aware of the site's troublesome history—more than one Morgan Crucible annual meeting has degenerated into unseemly slanging matches—Taylor does not foresee the reason for any further problems.

Rosehaugh goes shopping

THE CHOICE facing shareholders of London Shop Property Trust, currently the subject of a 1982 share bid from Godfrey Bradman's Rosehaugh, is by no means the clear-cut, "take it or leave it" option available in more normal circumstances.

Mr Bradman's bid coincided with London Shop's own announcement of a merger between itself and sister company, Beaumont Properties. So, as Mr Bradman put it this week, "London Shop shareholders can either opt for more of the same" which he reckons would result in the merged London Shop/Beaumont standing at a sizeable discount to asset value—or take an option on Rosehaugh's management.

At the end of December, Rosehaugh bought a 31.4 per cent stake in London Shop—formerly held by McLeod Russell—and it is not thought to have done any buying since. Given the terms of the bid, it looks as though much will depend on the character and aspirations of London Shop shareholders, none of whom command an equity stake anywhere near the scale of Mr Bradman's.

London Shop has made no secret of the fact that it tends to buy, hold and to some extent deal in secondary shop properties. The company, and its merchant bankers Schroder Wagg, feel that this policy has been vindicated by an increase in net assets per share from 114p a share in April 1978 to 189p last December.

A spokesman for Schroder Wagg said this week that, given the breadth of the London

Shop and Beaumont portfolios—over 1,000 leases in both companies—it would be a misrepresentation to call the portfolios themselves secondary, whatever their individual content.

In the same three and a half years during which London Shop has measured itself, however, Godfrey Bradman reckons that Rosehaugh has increased its own net assets per share from "5p or 6p" to a figure on which he will not yet be drawn—but which some stockbrokers' analysts calculate could be as high as 280p a share.

This is probably not enough to swing the deal Rosehaugh's

way but it could stop London Shop shareholders voting for the Beaumont merger next week.

Naresh Gidka, of stockbrokers Quilter Hilton, thinks that Mr Bradman will have to delve deeper into his corporate pocket—perhaps to the extent of another 15p a share—to get a positive reaction from the London Shop shareholders.

Events can always prove the City wrong, but the general impression is that the affair has only reached the early skirmishing stage, with the bidder offering too little and the "victim" probably about to ask for too much.

WILLIAM COCHRANE

Mansion House Square scheme is resurrected

A PLANNING application for an 18-floor office building, shops and public square in front of London's Mansion House has been lodged by developer Mr Peter Palumbo.

The proposed £30m development, based on a 1968 plan by Miles van der Robe, includes a 137,000 sq ft net office tower and—if approved—would get underway in 1986.

Mr Palumbo has, over the last 23 years, acquired 12 of the 13 individual freehold and 345 of the 348 leasehold interests that constitute the scheme's site.

The plan would entail the demolition of eight listed

buildings. In 1969, the City Corporation agreed in principle to the proposal but withheld full permission until it could be satisfied the developer had sufficient control of the site to ensure a continuous, phased operation.

● Fountain House, the 100,000 sq ft City building let to Stewart Wrightson, is to be refurbished by Sunley Holdings at a cost of about £6.5m. Sunley will fund the plan and will, in return, participate in profit rental (£1.1m in 1980).

Edward Erdman advised the tenants, who say the leasehold interest has a market value of about £14m against the £16.5m book figure.

Market admiration at GM option move

GENERAL MOTORS and a New York property investment trust sent the Manhattan real estate market buzzing with admiration and surprise this week with a whopping \$500m piece of creative property financing.

The unorthodox transaction not only reflects the growing problems of the once booming Manhattan office property market but could well be the start of a new trend. Landaur Associates, part-owned by Hillier Parker May and Rowden, were consultants to GM and Roger Cockhill at Hilliers says he expects to see more transactions along these lines.

GM, struggling with rock-bottom car sales, has been trying to sell its prestigious New York Office tower—a 50-storey marble clad landmark building overlooking Central Park—since last April for at least \$500m.

The sale would have set a new record in the New York property market topping the \$400m sale of the Pan Am building last January. But the sale of the Pan Am building came at the peak of the latest Manhattan property boom.

With the latest transaction GM has still failed to sell its building but has raised \$500m in cheap money and moved closer to eventually selling the tower block.

Under the terms of the deal, Corporate Property Investors, a privately held real estate investment trust formed ten years ago by both American and foreign

investors, is advancing GM a \$500m ten-year loan at annual interest of 10 per cent.

In return, GM has granted CPI, which owns New York properties and several major regional shopping centres, an option to buy the building after January 2, 1991, for not less than \$500m. In addition, CPI would have to assume the balance on the existing mortgage on the building of about \$45m.

But there are other advantages to both parties in the transaction. According to Mr Hans Mautner, president of CPI, delaying the purchase of the building makes sense in that the property group will be getting a higher return from its loan to GM than it would receive from the outright purchase of the GM tower.

This is because rent yields from the building, which are estimated at about \$16m net this year, will be held down for the next five to ten years as most of the current leases do not expire until between 1986 and 1989. In the case of the Pan Am building, most of the old leases expire in 1984.

For General Motors, the deal defers New York City capital gains taxes on the sale of the building for ten years. At the same time GM retains the building's depreciation tax deductions which might not be as interesting to CPI since several of its shareholders are tax-exempt pension funds.

Paul Betts

Wang to relocate

WANG LABORATORIES, the wunderkind of the microcomputer and word processing world, has consolidated the rapid growth of Wang (UK) by taking a 25-year lease on Northumberland House, Hounslow, from developers County and District Properties, and Sun Alliance, at an annual rental of around £3m.

Ronnie Franks, a senior partner of Smith Melzak which acted for Wang in the transaction, reckons that this values the 60,000 sq ft building at around £15m.

Smith Melzak will also be handling the disposal of Wang's two outgrown Richmond properties when the move takes place next April.

● Sun Life is to fund the Grosvenor Estate Commercial Developments shopping scheme for the Grafton Centre, Cambridge, where Debenhams are taking 100,000 sq ft of the 300,000 sq ft complex.

● Bracknell Development Corporation has invited six companies to make bids for a freehold retail site in the town centre which will be developed to provide nearly 200,000 sq ft of shopping space. The companies are: Heron Property, Sunley Holdings/BSC Pension Fund, Hamerson, London and Metropolitan, Neale House Investments, and Prudential Assurance. Healey and Baker act for Bracknell.

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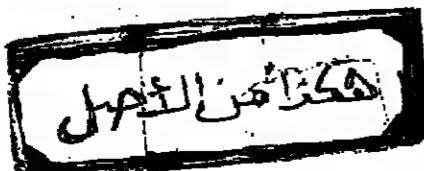
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CHRISTMAS QUIZ ANSWERS

Agents beat the analysts

THE PROSPECT of a Christmas quiz hat-trick for Gutter Goodson, the London stockbroker, has been snatched away from them by the sterling efforts of the Richard Ellis investment department and Weatherall Green and Smith, this year's joint winners and each the recipient of a mug of champagne.

So the agents take over from the analysts and Gutter Goodson will receive an honorary knighthood to add to Sir Nicholas Goodson's recent honors, though they missed a story by a whisker—his Colin Murray and Peter Goodson at Home Government. My thanks to everyone who entered and my hope that this year provides enough material for another quiz.

Picture questions: (a) Lord Malik; (b) Ronald Shuck; (c) 1 Lesser Land; 2 Rottan; 3 Brighton Estate; 4 Centros Properties; 5 Chesterfield Properties; 6 Viking Property; (d) Ed Gough, GLC planning committee chairman; (e) Kurt Kilstock.

1—As head of Costain's property division, Mr Melville shelved plans for a shopping scheme at the Woolwich Arsenal site.

2—Blue Circle Industries, facing a big rent rise, is considering relocating its Victoria headquarters at Aldermanston, Birmingham.

3—Oliver Marriot, whose Churchbury Estates took over Law Land, a company which 21 years before he had suggested was in need of new masters.

4—Astec West.

5—Willie Whitelaw's Home Office headquarters are held on a lease from Land Securities, the group headed by Lord Samuel of Wych Cross.

6—Donald Trump.

7—The former St George's hospital at Hyde Park Corner in London, William Wilkins designed it and the Duke of Westminster's Grosvenor Estate is modernising it as part of a new development scheme.

8—Corby in June 1981. (Several entrants elected Swansea, which also started in June but which steadfastly remains in Wales.)

9—Godfrey Bradman of Rosebough teamed up with Greycoat Estates to develop a site close to Liverpool Street station.

10—Arundel—headed by Ronnie Lyon—is proposing to develop 12 acres of south bank land, surrounding Vauxhall Bridge, including the existing Nine Elms cold store complex.

11—Dixons Photographic is in the picture in Broad Street, New York, where it is developing an office scheme with British Airways' pension fund.

12—Half Moon Theatre; Fortune Theatre; Duke of York.

13—Land Securities plans to redevelop Grand Buildings in Trafalgar Square were rejected by Westminster City Council.

14—Smith Meisack.

15—They are all buildings which have been listed by the

Department of the Environment as being of architectural interest.

16—Saatchi and Saatchi advertising agents to Richard Ellis, were ticked off for using simulated press cuttings in an Ellis campaign.

17—Gerald Zisman appeared in Liverpool docks to announce that his plan for a £20m scheme at the City's Albert Dock was being backed by the Department of the Environment.

18—New York's Battery Park area is being redeveloped by Olympia and York, the Canadian-based property group.

19—A consortium comprising Slough Estates, Shell Pension Fund and George House Holdings wants to develop a part of the airfield.

20—Mr Radmore is the DOE inspector conducting the inquiry into plans by Mr Lipton's Greycoat Estates to redevelop London's Coia Street site.

21—Severiano Ballesteros is to be tournament professional at La Manga Campo de Golf, Costa Blanca, purchased by European Ferries. Manuel Ballesteros is the resident club professional.

22—The Merchant Navy Officers' Pension Fund purchased a share in an Ob-based property trust.

23—Mr Michael Heseltine, Secretary for the Environment, could not successfully operate a bulldozer he encountered during his tour of Merseyside.

24—Mr Trevor Osborne, chairman of Speyhawk.

25—Electricity Supply Nominees is making room for an Atlantis adventure ride in its Trocadero redevelopment scheme, Piccadilly.

26—The Crown Agents, in selling off their Australian portfolio, which includes a property in Wollongong.

27—Chestfield Properties.

28—Vauxhall Cross, which has been developed by Regional Properties.

29—S and W Berisford and Edinburgh Investment Trust confront possible problems with permafrost when redevelopment of the Billingsgate market site finally begins.

30—Mr Q. Morris, a director of EP International on moving into its new Chiswell Street headquarters.

31—Union leader Clive Jenkins at a Savills seminar on property.

32—London and Leeds—part of the Ladbroke Group—is converting rooms in the Savoy Hotel into office space.

33—Ronald Shuck of Espley-Tras is to spend £25m on redeveloping the Belle Vue site in Manchester.

34—MEPC has taken a 50 per cent interest in 86 acres of land adjacent to the Texas Stadium, home of the Dallas Cowboys.

35—St Martins Property Corporation and local partner Grollo are retaining three historic buildings—including a butter factory—as part of a redevelopment scheme in Melbourne.

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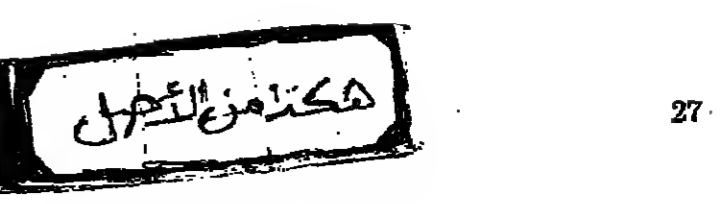
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COMMODITIES AND AGRICULTURE

FARMER'S VIEWPOINT Saved by Communism

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

IT MUST be a matter of deep concern to Marxists that the Communist bloc is the main support of capitalist agriculture. Were it not for the farm exports by the Soviet Union...

Vegetable supplies hit by weather

Financial Times Reporter

FARMERS WARNED that the recent severe weather has seriously disrupted vegetable supplies, and the effects will be felt for many months.

Thailand attacks U.S. tin stockpile sales

BANGKOK - The Thai Industry Ministry has asked the Foreign Ministry to protest against the release of tin by the U.S. General Services Administration (GSA) from its strategic stockpile.

More funds for rubber price pact

KUALA LUMPUR - The International Natural Rubber Organisation (INRO) has received nearly all of the 200m ringgit (\$45m) which it requested from member countries last month in a second call-up of funds for its rubber price operation, informed rubber sources said.

Most large contributors, including Malaysia and the U.S. whose payment amounts to about 100m ringgit, have met the 30-day contribution deadline, the sources said.

They added that the buffer stock manager, who intervened on the depressed market for the first time early in November, had ample financial resources to continue his purchases.

INRO has received about 800m ringgit since its first call-up was made in early October, they said, though they would not give the amount that this buffer stock manager had spent so far to defend the rubber price on the London, New York, Kuala Lumpur and Singapore markets.

The Kuala Lumpur-based organisation's five-day moving average stood at 176.64 Malaysian/Singapore cents a kilo on Wednesday, more than two cents below the May buy level of 179 cents.

The buffer stock manager has bought various grades of rubber on the four markets this week, according to dealers, but the moving average has remained below 179 cents since November 27.

INRO yesterday bought rubber for the buffer stock for Feb delivery, London dealers reported.

They said RSS No 1 and 2 grades were taken, but in small quantities, and prices were not disclosed. Reuter

Strike shuts Jamaican bauxite refinery

BY CANUTE JAMES IN KINGSTON

THE ALUMINIUM Company of America (ALCOA) has closed its 550,000 tonne bauxite refinery in central Jamaica after a strike by workers on Wednesday, industry sources said.

On Wednesday, the GSA said it sold 900 tonnes of stockpiled tin at \$7.12 a pound. Since January 1980, when the sales started, it has disposed of 7,025 tonnes of surplus stockpiled tin.

The London Metal Exchange meanwhile tin prices continued under pressure but

halfed following signs of improved enquiry, particularly from Eastern Europe, for nearby delivery metal which is in tight supply, reports Reuter.

London dealers said Eastern Bloc enquiry developed between the Christmas and New Year holiday periods and business was reported subsequently in a range of \$123.50 to \$127.50 a tonne (10 kilos) for prompt delivery, compared with the previous market quotation of \$120 to \$125.

Record sugar crop forecast

BY OUR COMMODITIES STAFF

IN HIS SECOND estimate of 1981-82 world sugar production West German statistician F. O. Licht has raised his projection to a record 86.79m tonnes, up from 85.12 in his first estimate in May 1981.

The forecast, already unofficially reported by traders, was confirmed at Licht's headquarters in Ratzburg yesterday.

In Brussels yesterday the EEC Commission authorised the sale of 43,750 tonnes of white sugar at its regular weekly tender, held a day late this week. A maximum subsidy level of 24.12 European currency units per 100 kilos was set.

The authorisation level was broadly in line with trade forecasts, and had no discernible effect on the market. In London the May futures position ended

£0.60 down on the day at £171.225 a tonne.

In Santo Domingo, Sr Manuel Enriquez Tavares, the Dominican Foreign Minister, said his country hoped to sell sugar to Mexico and Venezuela, who were among a number of countries approached with a view to winning the Republic's sales.

The country exports about 1m tonnes of sugar a year.

The country wants to diversify its markets because of U.S. plans to restrict sugar imports. The U.S. usually imports about 800,000 tonnes of Dominican sugar a year.

In Washington the U.S. Department of Agriculture (USDA) said Poland's production of refined sugar totalled more than 1.6m tonnes in 1981, up from 1m tonnes in 1980, reports Reuter.

The Bank says many investors lack the capital to buy land for planting.

Loan scheme for forestry investors

THE Royal Bank of Scotland has launched a new loan scheme to enable investors to raise cash for purchasing forests and forest land with a view to developing them for timber production.

Under Government policy of encouraging private forestry, grants are available to encourage investment and planting and establishment costs rank for tax relief against income from other sources.

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Dutch concern on farm policy

THE COMMODITY Board for grains, seed and pulses said yesterday that European Commission proposals to reform EEC farm policy are causing concern in the Netherlands.

Mr Van Beurker, board chairman told a New Year meeting that acceptance of the proposals, which aim to curb cereals production by limiting the area under sowing, would be a serious disadvantage to Dutch agriculture.

Colombian coffee record

WASHINGTON - Colombia's 1981-82 coffee crop will total 14m bags (60 kilos each), according to the U.S. agriculture department (USDA).

In its weekly report on world production and trade, USDA said this represents the sixth successive year of record breaking output for the world's second largest producer (after Brazil). It compared with 13.5m bags in 1980-81.

USDA attributed the increases to expansion of planted area, generally favourable weather, improved farm management and greater use of high-yielding varieties. Reuter

Uruguay may import wheat

WASHINGTON - Uruguay could return to the world market as a wheat importer in future years, says the U.S. Agriculture Department.

In its weekly report on world production and trade, USDA says the Government of Uruguay has announced plans to curtail intervention in the domestic wheat market.

It says support prices under the new policy will be pegged to the international market price for wheat, which tends to be lower than domestic production costs.

USDA says current plans could mean no government purchases of wheat in 1982-83. These policies could encourage domestic production and return Uruguay to the world market as a wheat importer in future years.

IOD increases membership

THE Institute of Directors last year recorded its highest membership figures since 1976, Membership worldwide now stands at more than 32,000.

In a period of recession the institute was able to increase its membership, expand its services, intensify its representation and lobbying work in the 12 countries it covers: London, Hampshire, Dorset and Wiltshire, Dorset and Wiltshire, Dorset and Wiltshire.

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BRITISH COMMODITY MARKETS

Table with multiple columns showing prices for various commodities like tin, copper, zinc, lead, silver, and gold. Includes sub-sections for 'BASE METALS' and 'PRECIOUS METALS'.

GAS OIL FUTURES

Table showing gas oil futures prices for various months (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec).

SILVER

Table showing silver prices in various forms (spot, 1000 oz, 100 oz, 10 oz) and different grades.

COCOA

Table showing cocoa prices for different grades and origins (Cocoa, Cocoa Beans, Cocoa Butter).

COFFEE

Table showing coffee prices for various grades (Arabica, Robusta) and origins (Colombia, Brazil, etc.).

SOYABEAN MEAL

Table showing soyabean meal prices for different grades and origins.

SUGAR

Table showing sugar prices for different grades (White, Yellow, etc.) and origins.

GRAINS

Table showing grain prices for various types (Wheat, Barley, Oats, etc.) and origins.

COTTON

Table showing cotton prices for different grades and origins.

AMERICAN MARKETS

Large table showing various American market prices including metals, oil, and other commodities.

EUROPEAN MARKETS

Table showing European market prices for various commodities like oil, grains, and metals.

Advertisement for C.C.S.T. Commodities Ltd. featuring the text 'C.C.S.T. No. 1 for service' and contact information.

Advertisement for ART GALLERIES and CLUBS, listing various art and social venues.

Advertisement for POTATOES, listing prices and contact information for suppliers.

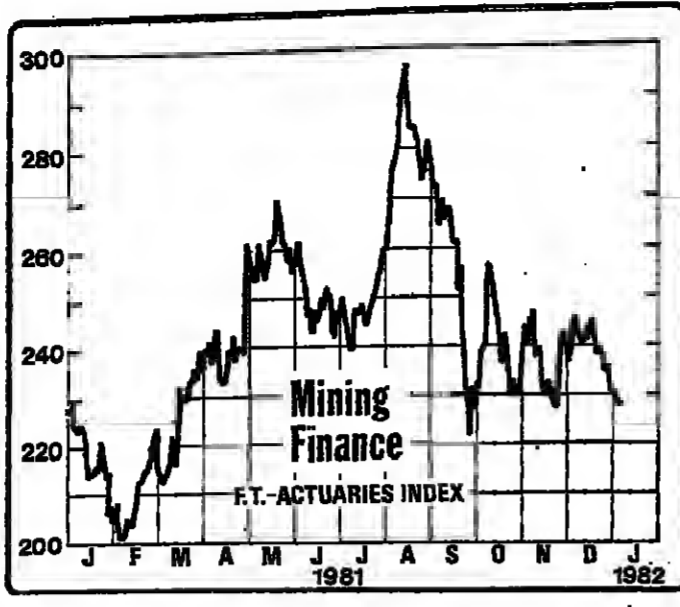
Advertisement for FINANCIAL TIMES and MOODY'S, including stock market indices like DOW JONES and REUTERS.

LONDON STOCK EXCHANGE

Leading shares continue advance but Discount Houses weaken with Smith St. Aubyn tumbling 97 to 35p

Account Dealing Dates
Option
*First Declara- Last Account
Dealings Dealings Day

1544m to around £34m. Other
Discount Houses sustained losses
ranging to nearly 40 and the FT-
Actuaries sector index fell 12.8
per cent to 211.5.



29p compared with the placing
price of 30p. Elsewhere in the
new issues sector, Asprey rose
50 to 87p following the interim
results.

taking recently, revived with a
gain of 7 to 260p. Other firm
spots included Lake and Elliot,
3 up at 39p, and Brockhouse, 1 1/2
dearer at 30p.

advanced 10 to 183p.
Interest in Properties was at
a low ebb and the leaders drifted
a few pence easier. Among
secondary issues, Marler Estates
attracted revived speculative
interest and added 3 to 60p. News
that the NCB Pension Fund had
increased its stake in the
company to 12.33 per cent left Percy
Bilton steady at 178p.

Table with 5 columns: Index Name, Jan 7, Jan 5, Jan 4, Dec 31, 1 year ago. Includes Government Secs, Fixed Interest, Industrial Ord, etc.

10 am 528.4, 11 am 527.1, Noon 525.7, 1 pm 526.0,
2 pm 526.0, 3 pm 526.7.

Table with 2 columns: Index Name, High, Low. Includes Govt. Secs, Fixed Int., Ind. Ord., Gold Mines.

to the better-than-expected
preliminary results.
Leading Stores attracted
steady institutional support
during the afternoon session and
closed at the day's best. Gasco
A remained to the fore with a
gain of 8 at 443p, while Marks
and Spencer rose 5 to 130p.

Hoover A wanted
Helped earlier in the week by
reports of a mini-boom in washing
machine sales, Hoover A
made further good progress
yesterday when rising 10 to 131p.

Hoover A wanted
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RECENT ISSUES

Table with columns: Issue Price, Issue Name, 1981/8 High, Low, Stock, Closing Price, % Change.

FIXED INTEREST STOCKS

Table with columns: Issue Price, Issue Name, 1981/8 High, Low, Stock, Closing Price, % Change.

"RIGHTS" OFFERS

Table with columns: Issue Price, Issue Name, 1981/8 High, Low, Stock, Closing Price, % Change.

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full rate. g Assumed dividend and yield.

ACTIVE STOCKS

Table with columns: Stock, Closing Price, Day's Change, Stock, Closing Price, Day's Change.

WEDNESDAY'S ACTIVE STOCKS

Table with columns: Stock, No. of Shares, Closing Price, Day's Change, Stock, No. of Shares, Closing Price, Day's Change.

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

The table below gives the rates of exchange for the U.S. dollar against various currencies as of Wednesday, January 6, 1982. The exchange rates listed are middle rates between buying and selling rates quoted by leading banks, unless otherwise indicated.

Large table with columns: COUNTRY, CURRENCY, VALUE OF DOLLAR, COUNTRY, CURRENCY, VALUE OF DOLLAR. Lists exchange rates for various countries like Afghanistan, Albania, Algeria, etc.

n.e. Not available. * U.S. dollars per National Currency Unit. (O) Official rate. (C) Commercial rate. (F) Financial rate. (1) Sudden - by decree on 9/11/81 fixed exchange rates abolished and Sudden - Pound devalued by 12% per cent.

NEW HIGHS AND LOWS FOR 1981/2

The following quotations in the share information section are obtained from Highs and Lows for 1981-82.

- NEW HIGHS (15)
BRITISH FUNDS (1)
Treasury Sec. 422
HEALTH CARE (1)
Australian S&P 01-82

- NEW LOWS (15)
CANADIAN (2)
FOREIGN BOND (1)
Bank of Montreal 20-1/2
CANADA (2)
Canada 100-1/2

RISES AND FALLS YESTERDAY

Table with columns: British Funds, Rises, Falls, Same. Lists various funds and their performance.

OPTIONS

First Last Last For
Deal Deal Declara- Settle-
ings ings tion ment
Jan 4 Jan 15 Apr 15 Apr 26
Jan 18 Jan 29 Apr 28 May 10
Feb 1 Feb 13 May 13 May 24
For rate indications see end of
Share Information Section.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Index No., Day's Change, Est. Earnings Yield, etc. Lists various equity groups and their performance.

FIXED INTEREST

Table with columns: PRICE INDICES, Index No., Day's Change, etc. Lists fixed interest rates and indices.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Trust, Abnig Unit Trust, and others, including their managers and details.

FT UNIT TRUST INFORMATION SERVICE

Main table listing unit trusts under various categories like L & C Unit Trust Management Ltd, Royal Tel. Con. Fd. Mgrs. Ltd, and others, with columns for name, manager, and details.

Table listing insurance and property bonds, including companies like Abbey Life Assurance Co. Ltd, Amey Life Assurance Ltd, and others.

STOCKS

ERS

CES

INSURANCE PROPERTY BONDS

NOTES

Price are in pence unless otherwise indicated. These figures are based on the latest available information and are subject to change without notice.

FT SHARE INFORMATION SERVICE

FOOD, GROCERIES—Cont.

BOLD That's BTR

LOANS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes Public Board and Ind. Financial.

BANKS AND HIRE PURCHASE

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes ANZ, HSBC, etc.

CHEMICALS, PLASTICS—Cont.

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes ICI, Shell, etc.

ENGINEERING TOOLS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes All Ind. Tools, etc.

HOTELS AND CATERERS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes Grand Hotel, etc.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various industrial stocks.

BRITISH FUNDS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various British funds.

Shorts (Lives up to Five Years)

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes Treasury, etc.

Five to Fifteen Years

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes Treasury, etc.

Over Fifteen Years

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes Treasury, etc.

Undated

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various undated funds.

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes international bank issues.

CORPORATION LOANS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various corporation loans.

COMMONWEALTH AND AFRICAN LOANS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes commonwealth and African loans.

FOREIGN BONDS & RAILS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various foreign bonds and rails.

AMERICANS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various American stocks.

Hire Purchase, etc.

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes hire purchase and other services.

BEERS, WINES AND SPIRITS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various beer, wine, and spirit stocks.

BUILDING INDUSTRY, TIMBER AND ROADS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes building, timber, and road stocks.

CANADIANS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various Canadian stocks.

DRAPERY AND STORES

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various drapery and store stocks.

ELECTRICALS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various electrical stocks.

FOOD, GROCERIES, ETC.

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various food and grocery stocks.

CHEMICALS, PLASTICS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various chemical and plastic stocks.

FOOD, GROCERIES, ETC.

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various food and grocery stocks.

CHEMICALS, PLASTICS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various chemical and plastic stocks.

MONTHLY INDEX to the FINANCIAL TIMES

For the first time a monthly index to the Financial Times is now available. Of special interest to librarians, information specialists, researchers and managers at all levels, the MONTHLY INDEX to the FINANCIAL TIMES provides straightforward access to a wealth of financial and business intelligence.

- Personalities in the news - appointments, major statements, profiles.
Financial results and company developments worldwide.
Management, arts, travel, feature pages... and more!

ORDER FORM section with fields for name, address, and subscription details.

CHEMICALS, PLASTICS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various chemical and plastic stocks.

CHEMICALS, PLASTICS

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various chemical and plastic stocks.

FOOD, GROCERIES, ETC.

Table with columns: Stock, Price, % Chg, Int. Rate, Yield. Includes various food and grocery stocks.

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and various manufacturing firms with columns for stock price, change, and volume.

LEISURE

Table of leisure-related stocks such as television networks, film studios, and entertainment companies.

PROPERTY—Continued

Table of real estate and property investment trusts, including residential and commercial developments.

INVESTMENT TRUSTS—Cont.

Table of investment trusts offering various asset classes like equities, bonds, and international funds.

OIL AND GAS—Continued

Table of oil and gas companies, including major producers and refiners.

DAIWA BANK logo and text: a fully integrated banking service. Head Office: Osaka, Japan.

MINES—Continued

Table of mining stocks, categorized by region (Central African, Australian, Tins, Copper, Miscellaneous) and listing various mineral extraction companies.

MOTORS, AIRCRAFT TRADES

Table of motor vehicles and aircraft-related stocks, including manufacturers and parts suppliers.

SHIPPING

Table of shipping and maritime-related stocks, including shipping lines and port authorities.

SHOES AND LEATHER

Table of shoe and leather goods companies.

SOUTH AFRICANS

Table of South African stocks, including mining and industrial firms.

TEXTILES

Table of textile and apparel companies.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing companies.

PAPER, PRINTING ADVERTISING

Table of paper, printing, and advertising companies.

PROPERTY

Table of property investment trusts (repeated).

TOBACCO

Table of tobacco companies.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related investment vehicles.

Finance, Land, etc.

Table of finance, land, and other investment trusts.

OVERSEAS TRADERS

Table of overseas trading companies.

RUBBERS AND SISALS

Table of rubber and sisal companies.

TEAS

Table of tea companies.

India and Bangladesh

Table of Indian and Bangladeshi stocks.

Sri Lanka

Table of Sri Lankan stocks.

MINES

Table of mining stocks (repeated).

Central Rand

Table of Central Rand mining stocks.

Eastern Rand

Table of Eastern Rand mining stocks.

Far West Rand

Table of Far West Rand mining stocks.

O.F.S.

Table of O.F.S. (Overseas Finance and Securities) stocks.

Diamond and Platinum

Table of diamond and platinum stocks.

NOTES

Notes section containing various financial notices, company announcements, and market commentary.

REGIONAL MARKETS

Table of regional market data for various countries and regions.

OPTIONS

Table of options trading data, including call and put options for various stocks.

See it, just for the experience

Centers Gardens, 5 C3 Six units office buildings 22, 1982 to 27, 1982 on 01-626 0022

FINANCIAL TIMES

Friday January 8 1982

BELL'S SCOTCH WHISKY BELL'S

Gill injunction move supported

BY JOHN MOORE

EIGHT INSTITUTIONS holding more than 9 per cent of the non-voting shares of Associated Communications Corporation...

director, receiving £560,000 in cash. The fund also seeks through the injunction to stop Mr Gill being allowed to buy a company house...

As anger continued to mount yesterday over the proposed payment to Mr Gill the vital voting shareholders began to show further signs of dissatisfaction about it.

Robert Fleming, the merchant bank with just 1.500 voting shares (1 per cent), said it would vote against the resolution to give Mr Gill £560,000.

CBI warns on closed shop awards

By Christian Tyler, Labour Editor THE SCALE of compensation for closed shop "victims" proposed by the Government could be revised downwards when new trade union legislation is published shortly.

THE LEX COLUMN Bill brokers at a discount

The importance of the discount market to the London financial system gives the Smith St Aubyn disaster a significance of all proportion to the company's size.

Index rose 5.8 to 529.5

Smith St Aubyn's but, at one for ten, it is still a modest affair. The company came to the market twice for funds in the mid 1970's but its big spending programme has been financed from cash flow over the past four years.

Kwik Save's balance sheet is showing no net debt at a time when working capital is under the greatest seasonal pressure, so there is no urgent need for new money.

Electronic Rentals

The six months to September were frustrating for Electronic Rentals. TV rental subscriptions fell by 2 per cent but supply problems with Philips deprived the group of a chance to cash in on the VCR boom.

The supply bottlenecks have since been resolved and the second half will benefit from a far lower level of exceptional costs, so the full year should show a comfortable advance to about £15m.

Yesterday's rights issue from Kwik Save Discount will raise a good deal more cash than now.

Corporation Tax paper favours no big changes

By David Freud THE long-awaited Green Paper on Corporation Tax, which was published yesterday by Sir Geoffrey Howe, Chancellor of the Exchequer, indicates a strong Government commitment to the existing imputation system of taxation.

The paper, foreshadowed by the Chancellor in March 1980, sets out the various options for changing the company tax system, with assessments of the financial results.

The paper is written on the assumption of an unchanged level of revenue from Corporation Tax, and the Chancellor said yesterday that the aim was to discuss the issues in an open and exploratory way.

He stressed that the Government would "not wish to propose a major change in the corporate tax structure, except after full consultation and unless this consultation indicated a clear consensus in favour of the change."

The paper considers a wide range of alternative systems. It was prepared by the Inland Revenue, and finds that a third of all home industrial and commercial companies rarely or never pay any mainstream Corporation Tax.

The biggest section of the paper investigates ways of adjusting taxable profits to take account of inflation, with a particular emphasis on whether the current cost accounting standard SSAP16 can be used for this purpose.

It estimates that use of CCA figures for computing tax liability would involve a slight shift in the weight of taxation from the financial sector to manufacturing and distribution companies.

Other main tax systems briefly considered are: To charge "gross" historical cost trading profits before deducting depreciation and after deducting interest, with no special relief for stock or capital investment.

To charge conventional historical cost trading profits (after deducting depreciation and interest), without special relief.

To retain the present system but reduce the tax rate for manufacturing industry to 10 per cent, as in Ireland.

Feature, Page 14

Cowley tea-break cuts deferred

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

BL HAS deferred a 10 minutes a day cut in tea-breaks, due to come into effect next Monday, at its Cowley, Oxford, plant after workers decided to walk out 15 minutes earlier on four days of the week.

The company insisted that it had not climbed down. It wanted agreement with the workforce, and next Tuesday was the earliest which union officials could meet to discuss the issues.

Meetings of the workforce agreed to respond by leaving work 15 minutes earlier. Union leaders said the decision was supported almost unanimously by more than 2,000 workers.

Three-week lay-off at Alfa

BY JAMES BUXTON IN ROME

ALMOST ALL the 40,000 workers employed by Alfa Romeo, Italy's state-owned car-maker, will be laid off for three weeks from January 18.

The company says that without the lay-offs—during which the workers will receive pay about 50 per cent of which will be subsidised by the state—its losses in 1982 might total £100m (£1,000m), about three times the expected deficit for 1981.

The unions fear that the company wants to use the lay-offs to achieve permanent reductions in the workforce. Fiat, the main Italian car-maker, took such a course in 1980.

Similar action is expected later in the year to counter what the company describes as a state of crisis. The only workers not affected will be those in research and testing, the company said yesterday.

It has revised downwards its production plans for 1982 by 30 per cent, from 260,000 vehicles to 170,000. Last year Alfa produced about 300,000 cars.

Alfa believes that if action is not taken to halt the losses the whole medium-term recovery strategy for the company, based on new models, a joint venture with Nissan of Japan and co-operation with Fiat could be in jeopardy.

Cut expected in local spending

BY ROBIN PAULEY

LOCAL AUTHORITIES in England are expected to spend 23 per cent less in 1981-82 on capital projects such as roads, schools and housing than the relevant cash limit permits.

In addition to failing to spend £730m of their capital account next April, the local authorities are likely to fall short by £170m of the target permitted for such expenditure as vehicle, plant and machinery leasing.

The local authorities feel the underspend stems from caution and unfamiliarity with the new system of capital expenditure controls introduced in 1981-82 and their wish to avoid higher debt charges on the current account arising from borrowing for capital projects.

They are also unlikely to spend £30m of leisure and other trading profits and of money raised by selling assets such as land, schools and homes. This £30m will be added to the £1bn already in bank accounts from similar capital receipts in previous years.

Although councils traditionally fall to spend all the money allowed for capital projects, this year's 23 per cent shortfall is particularly embarrassing because they are likely to exceed substantially their current account target which covers wages and service running costs.

The Environment Department forecasts that by the end of

Amazon dream ends

ment of a 20 per cent stake in Jari, but the government has made clear that it is not interested in control over the project. The shares may therefore come without voting rights.

Despite Sr Neto's optimism, it remains to be seen whether Mr Ludwig's dream can show a profit. There are still tremendous legal problems to be worked out regarding land ownership.

receive further government financial incentives. Although Mr Ludwig obtained incentives for the first part of his cellulose project, which involved importing a floating pulp mill from Japan, he was unable to persuade the government to help out with the second part of the project.

Pipeline embargo

said the rotor sets, which are worth some \$70m, were expected to be used as replacement parts after completion of the pipeline, or in a later phase of Soviet gas export plans. The deal, which has not been officially announced, was concluded before the U.S. announced its sanctions against the USSR.

mine U.S. sanctions—but also heavy investment to enable it to provide the equipment in time. Even then, the officials said, it was doubtful whether the French company could take over GE's role as supplier without a considerable delay to the pipeline timetable.

necessary scale is said to be a main reason why the company did not seek a role as turbine supplier in the original deal. AEG, with a DM 700m (£160m) contract for 47 of the gas turbines, was unable to comment yesterday.

For the French company to provide these key elements for the current pipeline projects would require not only a political decision on the part of the French government—which has said it will not under-

mine U.S. sanctions—but also heavy investment to enable it to provide the equipment in time.

France are not due for about three years. An acceleration would require a major expansion of capacity at the company's turbine plant near Belfort in eastern France. Although its unwillingness to make extra investment on the

Weather

UK TODAY COLD. Snow. Dry with sunny periods after overnight freezing fog clears. London, S England, Channel Cloudy, Snow, drying out. Max temp 3C (37F).

Table with columns for location, day, and temperature. Includes entries for London, Edinburgh, Belfast, etc.

How Grindlays in London, Vienna and Amman assisted Voest Alpine over the construction of an aircraft hangar at Queen Alia Airport.

Advertisement for Grindlays Bank Group, featuring an image of an aircraft hangar and text describing the bank's services and international network.